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LEGISLATIVE HISTORY

Public Law 109--82nd Congress

Chapter 297--1st Session

H. R. 2192

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DIGEST OF PUBLIC LAW 109

AN ACT: To amend Section 313 (b) of the Tarriff Act of 1930. Substitution for Drawback Purposes.

INDEX AND HISTORY OF H. R. 2192

January 30, 1951	Mr. Jenkins introduced bill H. R. 2192 which was referred to the House Committee on Ways and Means.
February 2, 1951	Committee on Ways and Means voted to report H. R. 2192.
February 5, 1951	Committee reported H. R. 2192 without amendments. House Report 27. Print of bill as reported.
February 6, 1951	Passed House with amendment.
February 8, 1951	Referred to Senate Finance Committee. Print of bill as referred.
May 17, 1951	Senate Finance Committee reported H. R. 2192 with amendments. Senate Report 323. Print of bill as reported in the Senate.
July 23, 1951	Senate passed H. R. 2192 with amendments.
July 26, 1951	House concurred in Senate amendments
August 8, 1951	Approved: Public Law 109

82D CONGRESS
1ST SESSION

H. R. 2192

IN THE HOUSE OF REPRESENTATIVES

JANUARY 30, 1951

Mr. JENKINS introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend section 313 (b) of the Tariff Act of 1930.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 313 (b) of the Tariff Act of 1930 be amended
4 to read as follows:

5 “(b) SUBSTITUTION FOR DRAW-BACK PURPOSES.—
6 If imported duty-paid sugar; nonferrous metal; or contain-
7 ing nonferrous metal; flaxseed and linseed, and flaxseed and
8 linseed oil, and duty-free or domestic merchandise of the
9 same kind and quality are used in the manufacture or pro-
10 duction of articles within a period not to exceed one year
11 from the receipt of such imported merchandise by the manu-

1 facturer or producer of such articles, there shall be allowed
2 upon the exportation of any such articles, notwithstanding
3 the fact that none of the imported merchandise may actually
4 have been used in the manufacture or production of the
5 exported articles, an amount of draw-back equal to that
6 which would have been allowable had the sugar; nonferrous
7 metal; ore containing nonferrous metal; flaxseed and lin-
8 seed, and flaxseed and linseed oil, used therein been im-
9 ported; but the total amount of draw-back allowed upon
10 the exportation of such articles, together with the total
11 amount of draw-back allowed in respect of such imported
12 merchandise, under any other provision of law, shall not
13 exceed 99 per centum of the duty paid on such imported
14 merchandise.”

82^d CONGRESS
1ST SESSION

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1930.

By Mr. JENKINS

JANUARY 30, 1951

Referred to the Committee on Ways and Means

Armed Services: H. Res. 38, authorizing and directing the Committee on Armed Services to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (c) of the Rules of the House of Representatives.

Ways and Means: H. Res. 78, authorizing the Committee on Ways and Means to conduct studies and investigations of matters within its jurisdiction, and for other purposes.

Foreign Affairs: H. Res. 28, authorizing the Committee on Foreign Affairs to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee.

Public Lands: H. Res. 100, to change name of Committee on Public Lands to Committee on Interior and Insular Affairs.

Public Lands: H. Res. 111, transferring books, papers, records, etc., of Committee on Public Lands to the Committee on Interior and Insular Affairs, also provides for transfer of membership.

Interior and Insular Affairs: H. Res. 80, to authorize the Committee on Interior and Insular Affairs to make investigations into any matter within its jurisdiction (amended).

Pages 912-920

Orders of Business: By unanimous consent request the calling of the Consent Calendar on Monday was dispensed with; also dispensed with Calendar Wednesday business in order on February 7.

Page 919

President's Message—Taxation: Heard a message from the President recommending that Congress, as rapidly as possible, enact revenue legislation to yield additional taxes of at least \$10 billion annually, and later in the year enact the remaining amounts needed to provide a pay-as-you-go basis. The message was referred to Committee on Ways and Means and ordered printed as a House document (No. 53).

Pages 920-922

Program for Monday: Adjourned at 2:53 p. m. until Monday, February 5, at 12 o'clock noon. For program see Congressional Program Ahead in this DIGEST.

Committee Meetings

NORTH ATLANTIC DEFENSE

Committee on Armed Services: Met with the Committee on Foreign Affairs for executive discussion with General Eisenhower regarding the North Atlantic defense situation.

Also announced that public hearings on military service and manpower (H. R. 1752), will be resumed on Monday, February 5, at which time Maj. Gen. Lewis B. Hershey, Director of the Selective Service System, will testify.

DEFENSE HOUSING

Committee on Banking and Currency: Resumed its public hearings on H. R. 1272, to assist the provision of housing and community facilities and services re-

quired in connection with the national defense (to be cited as the Defense Housing and Community Facilities and Services Act of 1951). Witnesses heard today were Alexander Summer, president of the National Association of Real Estate Boards; Richard J. Gray, president of the Building and Construction Trades Department, AFL; Leo Goodman, secretary of the CIO National Housing Committee; William H. Johnson, of the Trailer Coach Dealers Association.

Mr. Summer stated that the NAREB was not in opposition to the purposes for which the bill is intended, but pointed out that this legislation is not needed because most of its provisions already are incorporated in existing law. Mr. Gray and Mr. Goodman both stressed the need of housing for workers in defense areas throughout the country where the defense-production level has increased substantially.

The committee will conclude hearings on this proposed legislation next Monday morning at which time it will hear Representatives Johnson of California and Riley.

DEFENSE HOUSING, EDUCATION

Committee on Education and Labor: The Barden subcommittee held an executive meeting to consider the effects of the pending defense housing bill on Public Law 815 (81st Cong.) relative to school construction in areas affected by Federal activities; and Public Law 874 (81st Cong.) to provide financial assistance for maintenance and operation of schools located in districts affected by Federal activities. Will resume hearings on the same subject tomorrow morning.

NORTH ATLANTIC DEFENSE

Committee on Foreign Affairs: Met with the Committee on Armed Services for executive discussion with General Eisenhower regarding the North Atlantic defense situation.

Later in the day Representative Richards, acting chairman of the committee, announced a new departure and experiment in committee procedure which he said he hoped would further legislative participation in the formulation of United States foreign policy. He stated that the committee had unanimously approved his plan and voted to call in the authors of all bills referred to it, and give them an opportunity to speak for 15 minutes on behalf of their proposals. Most of these bills and resolutions touch on some phase of our foreign policy. Special hearings for this purpose will begin Tuesday, February 6, and run through Thursday, with additional meetings to follow later. It is thought that this would furnish Members of Congress an opportunity to be heard before the committee's legislative schedule is made up for the session.

FSA

Committee on Interstate and Foreign Commerce: Held executive session with Oscar R. Ewing, Administrator

of the Federal Security Agency, to discuss important emergency legislation which the Agency feels should warrant prompt consideration by the committee.

ALUMINUM, MONOPOLY

Committee on the Judiciary: The Celler Subcommittee on the Study of Monopoly Power continued hearings to investigate the present and proposed expansion of facilities in the aluminum industry. Testifying today was I. W. Wilson, senior vice president, Aluminum Co. of America. Roscoe Seybold, Vice Chairman for Stock Pile Management, Munitions Board, met with the group in executive session following the open meeting. The subcommittee will resume on the same subject on Monday, February 5.

IRRIGATION—RECLAMATION

Committee on Public Lands: The Subcommittee on Irrigation and Reclamation held executive session to consider the reclamation program in the Eighty-second Congress. Attending this meeting with the subcommittee were William E. Warne, Assistant Secretary of the Interior, and Goodrich W. Lineweaver, Assistant Commissioner of the Bureau of Reclamation.

ST. LAWRENCE SEAWAY

Committee on Public Works: Announced that hearings on the St. Lawrence seaway legislation, which were originally scheduled to begin on Wednesday, February 14, have been postponed, and will now commence on Tuesday, February 20. Consideration of this program is expected to last for about 10 days.

GI GIFT IMPORTS—E-BOND INTEREST

Committee on Ways and Means: Ordered the following bills reported to the House—

H. R. 2141, amended, to extend for 2 years the exist-

ing temporary privilege of free importation of gifts from members of the Armed Forces on duty abroad;

H. R. 2192, to amend section 313 (b) of the Tariff Act regarding substitution for draw-back purposes in case of linseed and flaxseed oil; and

H. R. 2268, to authorize the payment of interest on series E savings bonds retained after maturity.

Also considered, but deferred action until a later date on, H. R. 2142, to provide that the additional tax imposed by section 2470 (a) (2) of the Internal Revenue Code shall not apply in respect of coconut oil produced in the Territory of the Pacific Islands.

Announced that hearings on revenue-revision legislation would be held each day next week except Wednesday. Departmental witnesses are scheduled to be heard the first 2 days.

Joint Committee Meetings

PRESIDENT'S ECONOMIC REPORT

Joint Committee on the Economic Report: Committee concluded its study of the President's Economic Report after two sessions today. In the morning session, a panel discussion was held dealing with direct controls, with the following witnesses participating: J. Kenneth Galbraith, Harvard University; Richard E. Heflebower, Northwestern University; Paul Ellsworth, University of Wisconsin; Harold Rowe, Brookings Institution; and Donald Wallace, Princeton University. In the afternoon panel session the following participating witnesses discussed monetary, credit, and debt management problems: Howard Bowen, University of Illinois; Albert S. Hart, Columbia University; Wesley Lindow, Irving Trust Co., New York; Lawrence Seltzer, Wayne University; Walter Spahr, New York University; and Paul McCracken, Northwestern University.

CONGRESSIONAL PROGRAM AHEAD

Senate Chamber

(Week of February 5-10)

On Monday Senate will continue on S. 101 to amend Reorganization Act of 1940. Program for remainder of week is indefinite.

Senate Committees

Committee on Banking and Currency: February 5, executive, organizational meeting, 10 a. m., 301 Senate Office Building.

Committee on the District of Columbia: February 6, Subcommittee on Fiscal Affairs, on various D. C. fiscal bills; February 7, Subcommittee on Public Health, on four pending bills.

Committee on Expenditures in the Executive Departments: February 5, executive, Subcommittee on Reorganization, on subcommittee's program, 10:30 a. m., 357 Senate Office Building.

Committee on Interior and Insular Affairs: February 6, executive, on S. 49, statehood for Hawaii, and S. 50, statehood for Alaska, and on committee calendar.

Committee on Post Office and Civil Service: February 6, executive, on calendar business.

House Chamber

(Week of February 5-10)

Monday, no legislative business.

Tuesday, program undetermined.

Wednesday, the House will resume consideration of H. R. 1612 to extend for 3 years the authority of the President under section 350 of the Tariff Act of 1930, to enter into foreign-trade agreements. The bill will be read for amendments under the 5-minute rule.

Thursday and Friday, program undetermined at this time.

It is probable that the House will act on H. R. 2268, to authorize the payment of interest on series E savings bonds retained after maturity, on either Tuesday or Friday providing a rule is granted.

House Committees

Committee on Agriculture: February 8 and 9, to consider peanut-growing program.

AMENDING THE TARIFF ACT OF 1930 SO AS TO EXTEND TO FLAX-
SEED AND LINSEED AND FLAXSEED AND LINSEED OIL THE
PRIVILEGE OF SUBSTITUTION FOR DRAWBACK OF DUTIES

FEBRUARY 5, 1951.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. JENKINS, from the Committee on Ways and Means, submitted
the following

REPORT

[To accompany H. R. 2192]

The Committee on Ways and Means, to whom was referred the bill
(H. R. 2192) to amend section 313 (b) of the Tariff Act of 1930,
having considered the same, report favorably thereon without amend-
ment and recommend that the bill do pass.

GENERAL STATEMENT

The purpose of this bill is to extend to flaxseed and linseed and
flaxseed and linseed oil the privilege of substitution for drawback of
duties paid on these items in certain cases. This would be accom-
plished by amending section 313 (b) of the Tariff Act of 1930.

At present, section 313 (b) of the Tariff Act of 1930 permits substi-
tution for draw-back purposes in the case of sugar, nonferrous metals,
and ores containing nonferrous metals. This section provides that if
imported duty-paid sugar or nonferrous metal, or ore containing
nonferrous metal, and duty-free or domestic merchandise of the same
kind and quality, are used in the manufacture or production of articles
within a period not to exceed 1 year from the receipt of such imported
merchandise by the manufacturer or producer of such articles, there
shall be allowed upon the exportation of any such articles, notwith-
standing the fact that none of the imported merchandise may actually
have been used in the manufacture or production of the exported
articles, an amount of draw-back equal to that which would have
been allowable had the sugar or nonferrous metal, or ore containing
nonferrous metal, used therein been imported; but that the total
amount of draw-back allowed upon the exportation of such articles,
together with the total amount of draw-back allowed in respect of
such imported merchandise under any other provision of law, shall not
exceed 99 percent of duty paid on such imported merchandise.

Section 313 (a) of the Tariff Act of 1930 presently allows a refund as draw-back of 99 percent of duties paid on imported merchandise used in the manufacture of articles exported from the United States except imported wheat made into flour or byproducts.

Section 313 (b) made special provision for sugar, nonferrous metals and ore containing nonferrous metals due to the expense and difficulties encountered in identifying such imported merchandise in the completed article.

House Report No. 7, Seventy-first Congress, first session, on the Tariff Act of 1930, in explaining the purpose of section 313 (b), states:

Provision has been made for substitution for draw-back purposes in the case of sugar and nonferrous metals. The inconvenience and difficulties encountered by manufacturers and producers who use these two classes of merchandise in identifying the imported merchandise in the completed article has resulted in the abandonment of many just claims for draw-back. In any case it has been necessary for such manufacturers or producers to go to great expense and inconvenience in establishing their claims.

The same expense and difficulties are experienced in the case of flaxseed and linseed and flaxseed and linseed oil and your committee feels that the same privilege of substitution for draw-back purposes should be made applicable to these products.

This bill would add flaxseed and linseed and flaxseed and linseed oil to section 313 (b) and the same provisions would be applicable as are now applicable to sugar and nonferrous metals. The Treasury Department advises your committee that it—

does not anticipate any greater difficulties in administration than are presently encountered in connection with sugar, nonferrous metals, and ores containing nonferrous metals. Furthermore, it is not believed that the cost of administration would be materially increased. The Department, therefore, would not be opposed to the enactment of the bill * * *

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 313 (B) OF THE TARIFF ACT OF 1930

(b) SUBSTITUTION FOR DRAW-BACK PURPOSES.—If imported duty-paid [sugar or non-ferrous metal, or ore containing non-ferrous metal, and duty free] *sugar; nonferrous metal; or containing nonferrous metal; flaxseed and linseed, and flaxseed and linseed oil, and duty-free or domestic merchandise of the same kind and quality* are used in the manufacture or production of articles within a period not to exceed one year from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation [(or shipment to the Philippine Islands)] of any such articles, notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported articles, an amount of [drawback] *draw-back* equal to that which would have been allowable had the [sugar or non-ferrous metal, or ore containing non-ferrous metal,] *sugar; nonferrous metal; ore containing nonferrous metal; flaxseed and linseed, and flaxseed and linseed oil,* used therein been imported; but the total amount of [drawback] *draw-back* allowed upon the exportation of such articles, together with the total amount of [drawback] *draw-back* allowed in respect of such imported [merchandise] *merchandise*, under any other provision of law, shall not exceed 99 per centum of the duty paid on such imported merchandise.

Union Calendar No. 15

82^D CONGRESS
1ST SESSION

H. R. 2192

[Report No. 27]

IN THE HOUSE OF REPRESENTATIVES

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Mr. JENKINS introduced the following bill; which was referred to the Committee on Ways and Means

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82ND CONGRESS
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from Texas [Mr. PATMAN] stated his views. The gentleman from Massachusetts [Mr. McCORMACK] is now stating his views. The gentleman is talking about an apology. Does the gentleman desire to have American bonds go down to 82?

Mr. McDONOUGH. No.

Mr. McCORMACK. Then the gentleman and I are in agreement. The gentleman is very frank, as he always is when he is asked a direct question.

Mr. McDONOUGH. Will the gentleman yield further?

Mr. McCORMACK. Yes. The gentleman has made out my case from his angle, so I will yield.

Mr. McDONOUGH. Not by the answer to that question. It is not so simple as that.

Mr. McCORMACK. That is all this whole thing was for—to stabilize the price of bonds during the emergency.

Mr. McDONOUGH. The gentleman will admit that this whole debate that has come onto the floor of the House today originated in a dispute between Mr. Marriner Eccles and the President just within the last 36 hours.

Mr. McCORMACK. No.

Mr. McDONOUGH. It came from that source.

Mr. McCORMACK. I would not say Mr. Eccles.

Mr. McDONOUGH. The problem we are facing now and the debate we are having now is the result of a misunderstanding on the fiscal policy of the United States in the administration itself.

Mr. McCORMACK. No.

Mr. McDONOUGH. There is no party question here. I am not speaking as a Republican to a Democrat, except to say that this responsibility is on the Democratic Party.

Mr. McCORMACK. Of course, the gentleman occasionally reaches an honest but rash conclusion. The gentleman knows that the Federal Reserve Board is not subject, under the law, to the slightest direction from the President of the United States. If anything, it is more responsible to Congress. Any report it makes is supposed to be made to Congress, as I recall. Is that correct?

Mr. McDONOUGH. That is true.

Mr. McCORMACK. The members of this Board are appointed, and, once they are appointed, they are for all practical purposes accountable to nobody, yet they have the financial destiny of the people of this country under their control. They exercise their judgment honestly. I am not going to make the slightest intimation conveyed that they are not sincere. They are fine men. But it is a tremendous power to vest in anyone. I would not want it. I do not know why they want it.

Some years ago the Secretary of the Treasury was a member and had a voice on that Board, and the Congress took it away. That was the voice of the public. We have a voice in the stock exchanges, not the commodity exchanges but the stock exchanges. We do not have a public voice on the Federal Reserve Board. The gentleman knows that. Within the realm of the Federal Reserve System a

question may arise and within the realm of the Treasury a question may arise, and these questions may be related to one another. The Federal Reserve Board says it is in favor of higher interest rates on long-term securities. The Secretary of the Treasury says "No," in substance. There is an impasse. The most logical thing in the world is that they should then sit in with the President of the United States, the one who should consider it, no matter who that President might be. That would be true if a matter arose 20 years from now and there was a President there who was elected as a Republican. He would be the President, though.

Mr. DEANE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. DEANE. Mr. Speaker, I think our majority leader is to be commended for taking the floor which, as he indicated, is seldom, to speak under a special order to call to the attention of the House this matter with which so few of us are thoroughly familiar. I feel a careful analysis of what the gentleman has said will show that what he has said is completely free of any political implication. I think as Democrats we have the courage to stand on our feet and criticize any organization within this Democratic administration. Personally I feel that the majority leader and the gentleman from Texas who spoke a moment ago are to be commended for taking the floor today, and opening up this subject in order that the Members of the Congress may be more acutely aware of the problems involved.

Mr. McCORMACK. And may I state that the gentleman from Michigan [Mr. CRAWFORD], also is to be commended for calling these problems to our attention in the same way.

Mr. DEANE. I hope the majority leader and other Members of the House will follow it up to the end that this matter is thoroughly understood by all Members of the Congress and to serve notice to the Federal Reserve System and any other agency of the Government that the Congress is studying this very carefully and that decisions which are made should be made in the interest of the American people.

Mr. McCORMACK. I thank the gentleman.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts may proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McCORMACK. I hope that the members of the Federal Reserve Board and the Secretary of the Treasury and all others interested will dispassionately consider not only this question but any other questions that arise. It seems as if we are going to have a sharp legislative fight on it. I hope we do not. They can control the situation by sitting around the table as men respecting each other's views, no matter how much they may differ with each other, and not im-

pugning each other's motives. I make that suggestion and I hope that they will approach this problem in that way rather than having the question brought up here during this emergency, in a legislative battle, so that the questions involved will be obscured and involved in intense debate on the Floor of the House which we know will envelop it.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. PATMAN. I said in my remarks that the Federal Reserve Board originally had as members of that board the Secretary of the Treasury and the Comptroller of the Currency. Eventually they were taken off the board. I desire to read the original Federal Reserve Act on that very point:

SEC. 10. A Federal Reserve Board is hereby created which shall consist of seven members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio, and five members appointed by the President of the United States, by and with the advice and consent of the Senate.

So you see at that time out of the seven members two were selected by someone responsible directly to the people—by the President of the United States. Those two members were the Secretary of the Treasury and the Comptroller of the Currency. By changing that over a period of years just a little now and then, now we have a board of seven men. The Secretary of the Treasury is not on the Board, and the Comptroller of the Currency is not on the Board. There are seven independent members selected for 14 years. They are under no obligation to the Executive or to the executive branch. They are an independent body and they are asserting their independence in a way which is costly to the people of the United States.

Mr. McCORMACK. With reference to that point, I believe they are unwise in creating the question, or so-called question of independence. We have gone along now for 10 years with market operations on the part of the Government so that the price has been established. Certainly, it seems to me during the emergency the policy which was in operation during World War II and in the postwar years to date might well be followed. One of the worst things which I think could happen and which would have the effect of impairing the morale of our people would be to have Government bonds dropping again to as low as 90, or 85 or 82, as a result of open-market operations. And then to have people—again I do not mean to say they did it deliberately, but again to have people who are financially able to buy them up and hold them over a long period of time, as they did after World War I, in some cases disposing of them at \$125. I think this question should not be aggravated. The members of the Federal Reserve Board ought to realize the significance of world conditions and they ought to sit around the table with the Secretary of the Treasury and thrash these questions out instead of having the question brought in to the legislative body with an intensity of feeling which

will appeal to the emotions of our people and the effect of which would be to divide our people on this false issue of independence of the Federal Reserve Board.

EXTENSION OF REMARKS

Mr. SHEPPARD asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post of February 3.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RABAUT, for an indefinite period, due to a death in the family.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock p. m.) the House adjourned until tomorrow, Tuesday, February 6, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

162. A letter from the President, Commission on Licensure, Healing Arts Practice Act of the District of Columbia, transmitting a report showing the activities of the Commission for the fiscal year ended June 30, 1950, pursuant to section 47 of the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; to the Committee on the District of Columbia.

163. A letter from the Assistant Secretary of the Interior, transmitting copies of certain legislation passed by the Municipal Councils of St. Thomas and St. John and St. Croix, V. I., pursuant to the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Interior and Insular Affairs.

164. A letter from the Secretary of the Navy, transmitting a letter dealing with certain resolutions pertaining to the administration of the government of American Samoa, which were submitted by members of the Fono of American Samoa; to the Committee on Interior and Insular Affairs.

165. A letter from the Assistant Attorney General, transmitting a letter relative to there appearing to be a technical violation of section 1211 (h) of Public Law 759, Eighty-first Congress, pursuant to the provision of section 1211 (i) (2) of Public Law 759, approved September 6, 1950; to the Committee on Appropriations.

166. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 15, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Chassahowitzka River, Fla., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

167. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 14, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Creque Gut and tributaries, island of St. Croix, V. I., authorized by the Flood Control Act approved on August 18, 1941; to the Committee on Public Works.

168. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated November 10, 1950, submitting a report, together

with accompanying papers, on a preliminary examination of Julington Creek, Fla., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

169. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 18, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Coldwater Creek, Calhoun County, Ala., authorized by the Flood Control Act approved on July 24, 1946; to the Committee on Public Works.

170. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 15, 1950, submitting a report, together with accompanying papers, on a preliminary examination of waterway from packing house and railroad terminal at Belle Glade, Fla., to Lake Okeechobee and to the intracoastal waterway through the Hillsboro and West Palm Beach Canals, authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

171. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated November 28, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Westfield River, Mass., with a view to modifying the existing Knightville Reservoir to provide low-flow regulation, authorized by the Flood Control Act approved on July 24, 1946; to the Committee on Public Works.

172. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 12, 1950, submitting a report, together with accompanying papers, on a preliminary examination and survey of Chapel Creek, Dorchester County, Md., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

173. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 12, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Choctawhatchee River, Fla., authorized by the Flood Control Act approved on December 22, 1944; Choctawhatchee River and tributaries, Alabama and Florida, and Choctawhatchee River, Fla. and Ala., authorized by the Flood Control Act approved on July 24, 1946; and Choctawhatchee River, Ala. and Fla., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

174. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 12, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Little Pottsburg Creek, Fla., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

175. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 14, 1950, submitting a report, together with accompanying papers, on a preliminary examination of channel to Pahokee, on Lake Okeechobee, Fla., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

176. A letter from the Secretary of the Interior, transmitting a draft of a bill entitled "A bill to authorize the Secretary of the Interior to undertake certain additional developments in connection with the Central Valley project, California, and for other purposes"; to the Committee on Interior and Insular Affairs.

177. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill relating to the activities

of temporary and certain other employees of the Bureau of Land Management"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MADDEN: Committee on Rules. House Resolution 95. Resolution authorizing the Committee on the Judiciary to conduct studies and investigations relating to matters within its jurisdiction; without amendment (Rept. No. 24). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 2268. A bill to authorize the payment of interest on series E savings bonds retained after maturity, and for other purposes; without amendment (Rept. No. 25). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 2141. A bill to make permanent the existing temporary privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad; with amendment (Rept. No. 26). Referred to the Committee of the Whole House on the State of the Union.

Mr. JENKINS: Committee on Ways and Means. H. R. 2192. A bill to amend section 313 (b) of the Tariff Act of 1930; without amendment (Rept. No. 27). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 2374. A bill to rescind the order of the Postmaster General curtailing certain postal services; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H. R. 2375. A bill to exempt amounts paid for admissions to operas from the Federal tax on admissions; to the Committee on Ways and Means.

By Mr. KEARNEY:

H. R. 2376. A bill granting to persons in the Armed Forces who receive or are eligible to receive the Korean Campaign Medal, and to their dependents, all the rights, benefits, and privileges granted to veterans of World War II and their dependents; to the Committee on Veterans' Affairs.

By Mr. RANKIN (by request):

H. R. 2377. A bill to clarify the requirement in title II of the Servicemen's Readjustment Act of 1944, as amended, with respect to the period within which a course must be initiated; to the Committee on Veterans' Affairs.

By Mr. VURSELL:

H. R. 2378. A bill to reduce the annual leave of Federal officers and employees to 15 days during the continuance of the existing national emergency, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WALTER:

H. R. 2379. A bill to revise the laws relating to immigration, naturalization, and nationality; and for other purposes; to the Committee on the Judiciary.

By Mr. ANDREWS:

H. R. 2380. A bill to amend the Selective Service Act of 1948 to provide that certain individuals who engage in strikes while occupationally deferred shall be made immediately available for military service; to the Committee on Armed Services.

have received in the last 10 years from their ownership of savings bonds.

A few moments ago the gentleman from Arkansas [Mr. MILLS] told you how important it was that the people of the country retain confidence in the credit of the United States. He told you how important it was that sales of these bonds be continued at a high rate. But now we find in the consideration of this bill that an amendment is ruled out of order that would give these bondholders some protection against inflation during the next 10 years, an inflation that has robbed them of 44 percent of their principal during the last 10 years.

The amendment, Mr. Chairman, would have operated to restore the faith of the people in United States obligations.

It would have operated to accelerate the sale of war bonds and to discourage the redemption of war bonds.

It would have operated to make plain to the people and to the Congress the imperative importance of sound Federal financing.

The amendment would have given this Congress a chance to show the same fidelity to trusting citizens that the heads of labor unions demonstrate when they insist on an escalator clause in union contracts.

As a practical matter, this Government can go on fooling uninformed people and selling them a deteriorating investment but—day by day—and I testify from 25 years' experience in the investment business—day by day more of these folks are finding out the inherent unsoundness of holding a deteriorating obligation, a fixed-income obligation in a period of inflation.

Unless this Congress comes to grips with this problem that knowledge will grow and expand, until most of those who own Government bonds, and who become familiar with inflation, will have turned them in and put their money in some other form of investment.

The humble, trusting citizens of this country, by and large, are the holders of these war bonds. They are being sold down the river financially, so long as inflation continues and their bonds remain payable in a fixed amount. Every man sitting in this Chamber knows that. Every man sitting in this Chamber knows that in the last 10 years there has been a substantial deterioration in the purchasing power of that dollar. I say this Congress should do something about this situation, and this is the place and time to do it.

We should play square with the bondholders who have placed their future financial independence in the hands of the Congress of the United States.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. BYRNES of Wisconsin. I agree with everything the gentleman has said about the depreciation of bonds and, in general, the awakening of the American people to some of the difficulties they are going to be concerned with in the purchase of bonds. But is it not true that what the gentleman charges as far as Government bonds are concerned applies equally to any other bonds which the purchaser might buy?

Mr. BUFFETT. The gentleman from Wisconsin is correct insofar as any fixed interest obligation is concerned. However, these obligations are our specific responsibility.

This deterioration is a financial debacle without parallel in this country since the Revolutionary War and the repudiation of the continental currency.

This deliberate inflation is so shocking that an able economist, Dr. Paul Poirot, characterized it in this strong language:

No government anywhere in the world at any time ever perpetrated upon its citizenry a greater fraud than is practiced in the United States of America today. (The Pension Idea, by Dr. Paul Poirot.)

Has he overdrawn the picture? The 44 percent depreciation in savings bonds, life insurance, and war bonds in 10 years is a loss that comes to more than \$26,000,000,000.

Here is the picture of the enormity of the loss suffered the last 10 years by those who have been saving dollars.

At the end of 1940, United States savings bonds, savings bank deposits, and life insurance assets amounted to \$61,200,000,000. At that same 1940 date the cost of living, measured by the Bureau of Labor Statistics, was at 100.2.

Now let us look at those savings at the end of 1950. The Bureau of Labor Statistics cost of living index was at 178.4, against 100.2 in 1940.

The buying power of those 1940 savings had been reduced 44 percent. The real loss to the holders of those 1940 savings was over \$26,800,000,000.

Even more strikingly I can express the deterioration in one sentence: The deterioration in savings bonds last year of three and one-half billions was a billion and a half more than the total of all losses from bank failures from 1921 through 1933.

(Mr. HAYS of Arkansas asked and was given permission to extend his remarks at this point in the RECORD.)

[Mr. HAYS of Arkansas addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. DONDERO asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DONDERO. Mr. Chairman, if American taxpayers generally understood the real meaning of the administration's tax proposals, as conveyed to the committees of Congress, I believe there would be an immediate uproar in behalf of drastic cuts in nonessential Government spending which neither Congress nor the President could ignore.

Even more so would this be the case if taxpayers should compare Federal taxes nowadays with those of only 10 years ago. The comparison shows the alarming extent to which Federal administrations over the past 18 years have gobbled up the substance of the people.

A statistical analysis, which came to my attention through my esteemed colleague, NOAH MASON, of Illinois, shows that in 1940 only about 4,000,000 individuals were paying personal income taxes, which were limited to comparatively high incomes. Today we have 52,000,000 people making personal income-tax returns.

In 1940, a married couple with no children enjoyed an income-tax exemption of \$2,500, while today the same couple have exemption of only \$1,200.

In 1940 the tax rate in the lowest income bracket on which taxes were imposed was only 4 percent, while today it is 20 percent. In 1940, the highest corporate income-tax rate was 19 percent, and today it is 47 percent.

In 1940, Uncle Sam collected a total of about \$4,000,000,000 in all personal income, corporation, and excise taxes. Today he collects \$55,000,000,000 from these three sources.

Thus there are 13 times as many people on the Federal income-tax rolls as there were in 1940. Uncle Sam is taking away five times as much of their personal incomes as he did in 1940. He has nearly tripled corporate tax rates, until now he takes away nearly a half of all corporation incomes.

A few weeks ago the expiring Eighty-first Congress added a corporate excess-profits tax, amounting to 75 percent of corporate earnings, above certain predetermined earnings totals.

Since corporations cannot survive unless they pass taxes along to consumers in the form of higher prices, those high corporate taxes, and the additional excess-profits taxes, in the end are paid by the same people who pay personal income taxes.

Needless to say, corporation officials and stockholders are also consumers, and pay their full share of the corporate taxes, because they pay the same prices as everyone else for the things they buy.

The President now has advised Congress that in his opinion personal income-tax payers must bear the heaviest part of the burden imposed by his proposal to raise an additional \$16,500,000,000 in Government income. Lower- and middle-income earners would pay nearly all of the increase, because those in the high-income brackets receive only about 8 percent of total incomes received in the Nation each year.

It has been estimated that it will be necessary to boost the tax rate on lower and middle incomes from 20 to 24 percent, in order to raise only \$10,000,000,000, proposed by the President as a first installment of the \$16,500,000,000 increase he says eventually will be required.

The Congress should bear it in mind that Senator HARRY F. BYRD, of Virginia, has proposed specific measures for cutting nonessential Government spending next year by something more than \$9,000,000,000 from the \$72,500,000,000 budget submitted by the President.

If the present Congress fails to take the advice of Senator BYRD, to insist that nonessential spending be cut by at least \$9,000,000,000, and if the 4 percent is added to personal income-tax rates, the result may tend to destroy our free-enterprise system, and in the end our individual liberties, under a socialistic form of government.

A Federal income-tax rate of 24 percent would take nearly a quarter of everyone's annual income. A quarter of a year is 3 months. So it would figure out that the 24-percent income-tax rate would have everyone working at least

2½ months a year, just to pay Federal income taxes alone, to say nothing of State and local taxes, and indirect payment of corporate taxes.

If these latter direct- and indirect-tax payments should be added, it appears that the total tax burden for each individual would approach 50 percent of earned income, and everyone would work a full half of each year, just to pay taxes, before lending a hand toward the support of himself and his family.

(Mr. REED of New York asked and was given permission to revise and extend the remarks he made earlier today.)

Mr. O'TOOLE. Mr. Chairman, it looks to me as though the Republicans ate nothing but rooster yesterday the way they are crowing today.

(Mr. HARRIS asked and was given permission to revise and extend the remarks he made in the Committee of the Whole earlier today.)

(Mr. AUGUST H. ANDRESEN asked and was given permission to revise and extend the remarks he made today.)

Mr. MILLS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. ENGLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2268) to authorize the payment of interest on series E savings bonds retained after maturity, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. MILLS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. HERLONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

THE WILDCAT RAILROAD STRIKE

Mr. HERLONG. Mr. Speaker, yesterday several Members announced they had introduced legislation designed to put an end to the paralyzing wildcat strike of some railroad employees.

Information that we have today indicates that many of these strikers are returning to work, probably in response to the very fine plea made to them by Mobilization Director Charles Wilson.

The tendency in the past in instances such as we are going through has been to forget all about the proposed legislation when these people go back to work, then when another emergency comes along and there is another wildcat strike, we are right back where we started.

I think that we should be careful in the type of legislation we enact, making

sure that no basic rights of individuals are eliminated. However, always in an emergency, all of us have had to submit to the suspension of certain privileges for the good of the country as a whole. We must be in a position to protect and implement in every way possible our boys in Korea. If they retarded our defense effort as much as has been done by these strikes, they would be court-martialed. We here at home are certainly no better than they are. Even if all these people go back to work today, irreparable damage has already been done our defense effort. But for future reference, remember, it is too late to lock the barn after the horse has been stolen. I therefore cannot urge too strongly that the Members who have introduced this corrective legislation push it through regardless of the outcome of the present strike. I offer my assistance to them in every way possible.

AMENDING SECTION 313 (b) OF THE TARIFF ACT OF 1930

Mr. JENKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2192) to amend section 313 (b) of the Tariff Act of 1930.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 313 (b) of the Tariff Act of 1930 be amended to read as follows:

"(b) Substitution for draw-back purposes: If imported duty-paid sugar; nonferrous metal; or containing nonferrous metal; flaxseed and linseed, and flaxseed and linseed oil, and duty-free or domestic merchandise of the same kind and quality are used in the manufacture or production of articles within a period not to exceed 1 year from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation of any such articles, notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported articles, an amount of draw-back equal to that which would have been allowable had the sugar; nonferrous metal; ore containing nonferrous metal; flaxseed and linseed, and flaxseed and linseed oil, used therein been imported; but the total amount of draw-back allowed upon the exportation of such articles, together with the total amount of draw-back allowed in respect of such imported merchandise, under any other provision of law, shall not exceed 99 per centum of the duty paid on such imported merchandise."

Mr. JENKINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS: Page 1, line 6, strike out "or" and insert "ore."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF THE ARMED SERVICES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2141) to make permanent the existing temporary privilege of free importation of gifts

from members of the Armed Forces of the United States on duty abroad.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of December 5, 1942, entitled "An act to accord free entry to bona fide gifts from members of the Armed Forces of the United States on duty abroad," as amended (U. S. C., 1946 edition, Supp. III, title 50 App., sec. 847), is hereby amended by striking out "and before July 1, 1951."

With the following committee amendment:

Page 1, line 7, strike out "and before July 1, 1951" and insert in lieu thereof: "July 1, 1951, and inserting in lieu thereof July 1, 1953."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to extend for 2 years the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad."

A motion to reconsider was laid on the table.

(Mr. REED of New York asked and was given permission to extend his remarks at this point in the RECORD in explanation of the legislation just passed.)

(Mr. REED of New York addressed the House: His remarks will appear hereafter in the Appendix.)

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks and include the text of President Truman's speech made a few days ago at the dedication of the Chapel of the Four Chaplains.

Mr. ARENDS asked and was given permission to extend his remarks and include an address.

Mr. ENGLE asked and was given permission to extend his remarks in two instances, and in each to include extraneous matter.

Mr. SMITH of Mississippi asked and was given permission to extend his remarks and include extraneous matter.

Mr. YORTY asked and was given permission to extend his remarks in two instances, and in each to include extraneous matter.

Mr. LANHAM asked and was given permission to extend his remarks in two instances, and in each to include editorials.

Mr. LANTAFF asked and was given permission to extend his remarks and include a copy of a speech.

Mrs. BOSONE asked and was given permission to extend her remarks and include an article written by Lt. Robert T. Follin entitled "It's Happening on Your Own Front Lawn."

Mr. McCARTHY asked and was given permission to extend his remarks and include excerpts from an article.

Mr. RANKIN asked and was given permission to revise and extend the re-

82^D CONGRESS
1ST SESSION

H. R. 2192

IN THE SENATE OF THE UNITED STATES

FEBRUARY 8 (legislative day, JANUARY 29), 1951

Read twice and referred to the Committee on Finance

AN ACT

To amend section 313 (b) of the Tariff Act of 1930.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 313 (b) of the Tariff Act of 1930 be amended
4 to read as follows:

5 “(b) SUBSTITUTION FOR DRAW-BACK PURPOSES.—
6 If imported duty-paid sugar; nonferrous metal; ore contain-
7 ing nonferrous metal; flaxseed and linseed, and flaxseed and
8 linseed oil, and duty-free or domestic merchandise of the
9 same kind and quality are used in the manufacture or pro-
10 duction of articles within a period not to exceed one year
11 from the receipt of such imported merchandise by the manu-
12 facturer or producer of such articles, there shall be allowed
13 upon the exportation of any such articles; notwithstanding

1 the fact that none of the imported merchandise may actually
2 have been used in the manufacture or production of the
3 exported articles, an amount of draw-back equal to that
4 which would have been allowable had the sugar; nonferrous
5 metal; ore containing nonferrous metal; flaxseed and lin-
6 seed, and flaxseed and linseed oil, used therein been im-
7 ported; but the total amount of draw-back allowed upon
8 the exportation of such articles, together with the total
9 amount of draw-back allowed in respect of such imported
10 merchandise, under any other provision of law, shall not
11 exceed 99 per centum of the duty paid on such imported
12 merchandise."

Passed the House of Representatives February 6, 1951.

Attest:

RALPH R. ROBERTS,

Clerk.

82^d CONGRESS
1ST SESSION

H. R. 2192

AN ACT

To amend section 313 (b) of the Tariff Act of
1930.

FEBRUARY 8 (legislative day, JANUARY 29), 1951

Read twice and referred to the Committee on Finance

I happen to have voted for such a measure in the House of Representatives but I recognize that there is considerable doubt that either Territory will win statehood in the immediate future.

It has occurred to me that granting the Territories and the District of Columbia an opportunity to vote for President with representation in the electoral college might command the support of many Members of the Congress who oppose statehood. I believe these citizens of the United States should have a right to representation in the Congress and in the election of the President and Vice President. We draft their sons and we tax their incomes.

The proposed amendment is simple, and with the permission of the Senate, I place it in my remarks.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred to the Committee on Finance:

H. R. 1612. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes;

H. R. 2141. An act to extend for 2 years the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad;

H. R. 2192. An act to amend section 313 (b) of the Tariff Act of 1930; and

H. R. 2268. An act to authorize the payment of interest on series E savings bonds retained after maturity, and for other purposes.

INCREASE OF COMPENSATION TO VETERANS WITH SERVICE-CONNECTED DISABILITY—CHANGE OF REFERENCE

Mr. GEORGE. Mr. President, Senate bill 780, to authorize the payment by the Veterans' Administration of increased compensation on account of service-connected total deafness to veterans in receipt of compensation, was inadvertently referred to the Committee on Labor and Public Welfare. I have conferred with the author of the bill, the Senator from Alabama [Mr. HILL], and with his approval I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from the further consideration of the bill, and that it be referred to the Committee on Finance.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

DECLARATION OF FRIENDSHIP FROM THE AMERICAN PEOPLE TO ALL OTHER PEOPLES

Mr. McMAHON. Mr. President, I ask unanimous consent to address myself for 2 minutes to a concurrent resolution which I propose to submit.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. McMAHON. Mr. President, it is a great tragedy that the Communists have stolen the word peace from the free nations of the world. That happens to be a fact, hard as it is for the average American to understand why it should be so.

Despite recent Soviet aggressions, the Communists have been very successful in selling the idea that the United States is a warmongering Nation while the Soviet Union wants peace. A recent Soviet outburst called us atomic barbarians.

The Communists have planted distrust of the United States and its allies over most of Asia and the Far East. A great many Europeans are in doubt about our peaceful intentions because of clever Communist propaganda.

Perhaps most dangerous of all is the fact that the Soviet Government is constantly telling the Russian people that the United States is a Nation of warmongers intent on their destruction. It is within our power to correct the record, and I believe we should.

I am now submitting a concurrent resolution, which I am proud to announce is being sponsored by 20 other Members of the Senate. The sponsors include Republicans and Democrats; this is in no sense a partisan issue. The sponsors joining with me are the junior Senator from Connecticut [Mr. BENTON], the Senator from Illinois [Mr. DOUGLAS], the Senator from Vermont [Mr. FLANDERS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], the junior Senator from New Jersey [Mr. HENDRICKSON], the Senator from Alabama [Mr. HILL], the junior Senator from Minnesota [Mr. HUMPHREY], the junior Senator from Wyoming [Mr. HUNT], the senior Senator from New York [Mr. IVES], the junior Senator from New York [Mr. LEHMAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the senior Senator from Wyoming [Mr. O'MAHONEY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Maine [Mrs. SMITH], the senior Senator from New Jersey [Mr. SMITH], the senior Senator from Minnesota [Mr. THYE], the Senator from New Hampshire [Mr. TOBEY], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. LANGER].

The title of the concurrent resolution explains its purpose in simple language. It is called "A declaration of friendship from the American people to all other peoples of the world, including the peoples of the Soviet Union." A similar resolution is being submitted in the House of Representatives today, so that we may have an expression of the Congress.

The concurrent resolution sets forth in simple language what I sincerely and deeply believe to be a fact, namely, that the overriding desire of the American people is to bring about permanent peace. It declares that the United States Government stands ready at all times to compose its differences with the Soviet Government by honorable negotiation.

The resolution also calls upon the President of the United States to transmit the resolution to the Soviet Government with the request that its contents be made known to the Russian people.

The prestige of the Congress of the United States is very great throughout the world, because it represents the American people. I believe adoption of this resolution will set forth the true position of the United States in clear and unmistakable terms.

I submit the concurrent resolution and ask that it be referred to the appropriate committee.

The concurrent resolution (S. Con. Res. 11), submitted by Mr. McMAHON (for himself and other Senators), was referred to the Committee on Foreign Relations, as follows:

Whereas the goal of the American people is now, and ever has been a just and lasting peace; and

Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and

Whereas in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom; and

Whereas this Nation has likewise given of its substance and resources to help those peoples ravaged by war and poverty; and

Whereas terrible danger to all free peoples compels the United States to undertake a vast program of armaments expenditures; and

Whereas we rearm only with reluctance and would prefer to devote our energies to peaceful pursuits: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Members of this Congress reaffirm the historic and abiding friendship of the American people for all other peoples, including the peoples of the Soviet Union, by declaring—

That the American people deeply regret the artificial barriers which separate them from the peoples of the U. S. S. R., and which keep the Soviet peoples from learning of America's desire to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

That the American people desire neither war with the Soviet Union nor the terrible consequences of such a war; and

That although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to compose the differences standing between them and the Soviet Government; be it further

Resolved, That the Congress request the President of the United States to call upon the Government of the Union of Socialist Soviet Republics to acquaint the peoples of the Soviet Union with the contents of this resolution.

Mr. McMAHON. In this connection, Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks, an article entitled, "McMAHON'S Plan To Express Amity Toward Russians Hailed," written by David Lawrence and published in the New York Herald Tribune of January 24, 1951; an article entitled, "A Bold Challenge to Joe Stalin," written by Thomas L. Stokes and published in the New York Herald Tribune of January 24, 1951; and an editorial entitled, "Nothing Against the Russian People," published in the Washington Post of January 25, 1951.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of January 24, 1951]

McMAHON'S PLAN TO EXPRESS AMITY TOWARD RUSSIANS HAILED
(By David Lawrence)

WASHINGTON, January 23.—Senator BRIEN McMAHON's proposal of a resolution to be

adopted by the Senate expressing friendship for the Russian people is the first sign of common sense that has come in a long while from officialdom here on the subject of moral force as a preventive of war.

The assumption that, because armament has to be increased substantially to meet outbreaks of aggression, all other forms of peaceful effort to prevent war need not be pressed is erroneous. Yet whenever military measures take the limelight these other methods of avoiding war seem to be side-tracked.

With two world wars to remind mankind that military conquest does not really bring peace, there have been equally erroneous assumptions current that military strength has become futile or unnecessary. The truth is that defense armament is indispensable, and so is an armament of reason and genuine friendship expressed by one set of peoples to the other.

THE CAUSES OF WAR

The Russian people are not bellicose by nature. They do not want war any more than do the people of the allied countries. Inasmuch as all peoples would prefer the ways of peace to armed hostilities, the real question always is why there should be any wars. Generally they result from the acts of a dictator or of a small group of men—oligarchies, they used to call them in ancient days—who exploit whole nations and force the young to go to war by inflaming public opinion against other countries.

There is no reason to believe that, if the minds of the 200,000,000 people of Soviet Russia could be reached with genuine evidences of friendship, the rulers of the Communist regime would have the power to take the steps of aggression which have now brought the world to the brink of war.

Like all other moves of this kind—and they are by no means novel—the question of methods and means arises. The United States has brought forth what is known as the Voice of America program. This project was for a long time in need of funds, but now has the money from Congress. What is lacking is the ideas that must go into such an undertaking to make it successful. Those ideas cannot begin and end on the bureaucratic level. They must come from the very top level of our policy makers. They must be part of national and international policy.

Today the Voice of America is just one of a number of bureaus in the State Department. It ought to be an important agency independent of any department and reporting directly to the President. It should have enough prestige to command the sympathetic support of Members of both Houses of Congress. It should be the public relations instrument of the government itself in international relations. Few men who have been at the head of the State Department have ever been qualified to do this type of planning even if they had the time to devote to it.

But to occupy so important a role, the project must have Cabinet-level ranking and must be composed of advisers who are able to suggest major policies that will appeal to other nations, especially those behind the iron curtain. Strange, indeed, that nobody has put any official momentum behind the idea of a formal expression of friendship by the Congress addressed to the people of Soviet Russia or that other moves which can appeal to peoples behind the iron curtain should not have come before now from authoritative quarters.

MUST CAPTURE IMAGINATION

The Voice of America can relay messages and broadcast interesting scripts and carry a polemic technique to counteract Communist propaganda, but that's not enough. There must be ways to capture the imagination of the Russian people. That's why the

suggestion by Senator McMAHON is likely to prove more penetrating than all the high-sounding speeches of diplomatic phraseology that come forth so regularly as the only expression of American idealism.

But will such policies of friendship and other proposals get through to the people behind the iron curtain? The answer is that any event of sensational importance percolates through any man-made barrier. The persons who go and come across the border from the satellite states to the free world are constantly discussing these same issues. Word-of-mouth distribution of ideas still remains the most effective single instrument of communication the world has ever known.

[From the New York Herald Tribune of January 24, 1951]

A BOLD CHALLENGE TO JOE STALIN—SENATOR McMAHON WOULD CENTER ATTACK ON THE IRON CURTAIN

(By Thomas L. Stokes)

WASHINGTON.—It is good that in the gathering storm one man is willing to stand up boldly and appeal for another attempt to break through the iron curtain so that our people, as people, might speak to the Russian people, as people, for understanding and peace.

For this Senator BRIEN McMAHON, Democrat, Connecticut, would use both our Senate and the United Nations as instrumentalities.

No man is more entitled to speak—and be heard. The Connecticut Senator knows whereof he speaks, and is conscious of his tremendous responsibility. He is a man with a burden on his soul. As chairman of the Joint Congressional Atomic Energy Committee he lives daily, so to speak, with the awful weapon that could wipe out civilization. He realizes also another bitter truth that history teaches—that arms races such as that in which the United States and Russia are engaged can end only in wars.

UN OUTLET IN RUSSIA

To challenge Joe Stalin and the rulers of the Kremlin on the iron curtain he proposes:

1. That the United Nations assert its rights to have its deliberations known behind the iron curtain—as a minimum by operating its own radio station in Russia.

2. That the Senate pass a resolution, expressing friendship for the people of Russia by the people of the United States and otherwise declaring the intentions of our own people for peace and for honorable negotiations for peace, and that the Soviet Government be asked to circulate this among its own people. To reinforce its effect he would have the resolution circulated all over this country and signed by our people.

The Senator was impelled to speak out because of developing circumstances. He has become alarmed by the headway Russia has made with her continuous propaganda that the United States wants war and that our people are warmongers. He knows, as we all know, that this is not so—that, as he said, no Member of the United States Senate wants war, nor do any of our people. Nor, he adds, do the people of Russia.

OUR STORY HIDDEN

But we have not got our story across. As regards Russia, we are stopped by the iron curtain so that we cannot reach the people. As for other people, particularly in Asia, we have failed to get our story to them and to let them know of our interest, from our national experience, in their aspirations to shake off colonialism and run their own affairs as independent nations. Yet we know what they want better than any other people.

The Senator simply would challenge Joe Stalin by asking him "that the free peoples'

views be circulated among the Rusians as the Soviet's views are circulated among us." As the Senator was speaking, our press wires, for example, were carrying the latest diatribe against the United States as "warmongers"—in this instance, by Peter Pospelov at the Lenin anniversary celebration.

STRONGEST WEAPON

The Senator is not sanguine that Stalin would accept either the UN or Senate proposal; but he is convinced, he said, "that if we focus world opinion on the iron curtain and expose it as a fraud and a menace to world peace, we may convert this barrier against truth into a Soviet liability."

The barrier against truth, the Senator explained, "may be the Soviet's strongest weapon."

"Perhaps we cannot convince the Kremlin rulers to open up the curtain, but I am absolutely certain that we can cripple and perhaps silence the Soviet propaganda guns in the western world. People can see through a fraud very easily when it is exposed to them."

Except for the iron curtain, he declared, "I am sure that ordinary Russians would invoke their wrath on rulers who deny them life's barest necessities and who saddle them with crushing armament expenditures."

As an inducement to peace to people everywhere, the Senator reintroduced his resolution of last February calling for a reduction of armaments, including atomic weapons, by an iron-clad international agreement providing for inspection. The money thus saved would be pooled and applied to build up backward nations.

His threefold program is simple, direct, bold, and possible—that is, if we really want to save ourselves and the world.

[From the Washington Post of January 25, 1951]

NOTHING AGAINST THE RUSSIAN PEOPLE

There ought to be more attention paid to the suggestion of Connecticut's Senator BRIEN McMAHON, that the people of Russia should be assured of the continued friendship of the people of the United States.

No, that is not appeasement. In a way it is just the opposite of appeasement, because it draws a sharp line between the people of Russia and the present Government of Russia.

The people of Russia are continually bombarded with Soviet lies to the effect that the people of the United States hate them and seek to do them ill. If some semblance of the truth can penetrate behind the iron curtain—and there are leaks in that curtain despite all vigilance—it would produce a very different attitude in the mind of the average Russian.

What Senator McMAHON is really proposing is that we should approach this international problem with some of the skill that the Russians themselves have shown in using propaganda as a means of bolstering their side. The ordinary American must be thinking somewhat sadly that since the close of World War II Soviet Russia has made enormous advances by just such methods and without the loss—so far as we know—of a single Russian life. Meantime our boys are dying on the battlefields of Korea while in the matter of world public opinion we seem to be losing ground instead of gaining it.

It is time that we made some effort to cause the real truth to penetrate behind the iron curtain and thus to beat Russia at her own game. For what Senator McMAHON proposes is the simple truth. Nobody in this country hates the Russians as such, nobody has ill will against them as Russians and all of the furore in this country against communism is based solely on the evil deeds of a Russian Communist dictatorship.

AMENDING THE TARIFF ACT OF 1930 SO AS TO EXTEND TO FLAX-
SEED AND LINSEED AND FLAXSEED AND LINSEED OIL THE
PRIVILEGE OF SUBSTITUTION FOR DRAWBACK OF DUTIES

MAY 17, 1951.—Ordered to be printed

Mr. KERR, from the Committee on Finance, submitted the following

REPORT

[To accompany H. R. 2192]

The Committee on Finance, to whom was referred the bill (H. R. 2192) to amend section 313 (b) of the Tariff Act of 1930, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The committee amendments are as follows:

On page 1, line 5, and on page 2, lines 3, 7, and 9, delete the word "draw-back" and insert in lieu thereof the word "drawback".

On page 1, line 6, and on page 2, line 4, delete the semicolon following the word "sugar" and in each case insert in lieu thereof the following: ", or".

On page 1, lines 6 and 7, and on page 2, line 5, delete the semicolon following the word "metal" wherever it appears and in each case insert in lieu thereof the following: ", or".

On page 1, line 7, and on page 2, lines 5 and 6, strike out the words "flaxseed and linseed, and flaxseed and" and in each case insert in lieu thereof the following: "flaxseed or linseed, or flaxseed or".

On page 2, line 10, delete the comma following the word "merchandise".

GENERAL STATEMENT

The purpose of this bill is to extend to flaxseed and linseed and flaxseed and linseed oil the privilege of substitution for draw-back of duties paid on these items in certain cases. This would be accomplished by amending section 313 (b) of the Tariff Act of 1930.

At present, section 313 (b) of the Tariff Act of 1930 permits substitution for draw-back purposes in the case of sugar, nonferrous metals, and ores containing nonferrous metals. This section provides that if imported duty-paid sugar or nonferrous metal, or ore containing nonferrous metal, and duty-free or domestic merchandise of the same kind and quality, are used in the manufacture or production of articles

within a period not to exceed 1 year from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation of any such articles, notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported articles, an amount of draw-back equal to that which would have been allowable had the sugar or nonferrous metal, or ore containing nonferrous metal, used therein been imported; but that the total amount of draw-back allowed upon the exportation of such articles, together with the total amount of draw-back allowed in respect of such imported merchandise under any other provision of law, shall not exceed 99 percent of duty paid on such imported merchandise.

Section 313 (a) of the Tariff Act of 1930 presently allows a refund as draw-back of 99 percent of duties paid on imported merchandise used in the manufacture of articles exported from the United States except imported wheat made into flour or byproducts.

Section 313 (b) made special provision for sugar, nonferrous metals and ore containing nonferrous metals due to the expense and difficulties encountered in identifying such imported merchandise in the completed article.

The same expense and difficulties are experienced in the case of flaxseed and linseed and flaxseed and linseed oil and your committee feels that the same privilege of substitution for draw-back purposes should be made applicable to these products.

This bill would add flaxseed and linseed and flaxseed and linseed oil to section 313 (b) and the same provisions would be applicable as are now applicable to sugar and nonferrous metals.

The amendments accepted by the committee are to clarify and perfect the language of the bill.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman):

SECTION 313 (B) OF THE TARIFF ACT OF 1930

(b) SUBSTITUTION FOR DRAWBACK PURPOSES.—If imported duty-paid sugar, or nonferrous metal, or ore containing nonferrous metal, or *flaxseed or linseed, or flaxseed or linseed oil*, and duty free or domestic merchandise of the same kind and quality are used in the manufacture or production of articles within a period not to exceed one year from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation [(or shipment to the Philippine Islands)] of any such articles [,]; notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported articles, an amount of drawback equal to that which would have been allowable had the sugar, or nonferrous metal, or ore containing nonferrous metal, or *flaxseed or linseed, or flaxseed or linseed oil*, used therein been imported; but the total amount of drawback allowed upon the exportation of such articles, together with the total amount of drawback allowed in respect of such imported merchandise under any other provision of law, shall not exceed 99 per centum of the duty paid on such imported merchandise.

Calendar No. 304

82D CONGRESS
1ST SESSION

H. R. 2192

[Report No. 323]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 8 (legislative day, JANUARY 29), 1951

Read twice and referred to the Committee on Finance

MAY 17, 1951

Reported by Mr. KERR, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

To amend section 313 (b) of the Tariff Act of 1930.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 313 (b) of the Tariff Act of 1930 be amended
4 to read as follows:

5 “(b) SUBSTITUTION FOR ~~DRAW-BACK~~ *DRAWBACK*
6 PURPOSES.—If imported duty-paid ~~sugar~~; *sugar*, or non-
7 ferrous ~~metal~~; *metal*, or ore containing nonferrous ~~metal~~; ~~flax-~~
8 seed and ~~linseed~~; and ~~flaxseed~~ and *metal*, or *flaxseed* or *lin-*
9 *seed*, or *flaxseed* or linseed oil, and duty-free or domestic
10 merchandise of the same kind and quality are used in the
11 manufacture or production of articles within a period not to

82^d CONGRESS
1ST SESSION

H. R. 2192

[Report No. 323]

AN ACT

To amend section 313 (b) of the Tariff Act of
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United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 82^d CONGRESS, FIRST SESSION

Vol. 97

WASHINGTON, THURSDAY, MAY 17, 1951

No. 89

Senate

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty and everlasting God, at morning and evening and noonday, in Thy light we would see life steadily and seeing it whole discern in it Thy purpose for us and for all Thy children. Thou knowest the lure of temptation to be less than our best; Thou understandest the drain of our daily work and the limitations of our strength. In all our relationships with our fellows, grant us the grace of meekness and the power of self-control. Remove far from us all hypocrisy and pretense. Help us this day to speak only such words and to do only such things as will leave no regret. Minister, we beseech Thee, to the deepest need of our praying hearts. What no man's voice can speak openly Thou seest inwardly.

As we lift up our hearts for divine help in these baffling and perplexing days, come down the secret stairs by which Thou canst enter every contrite heart. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 16, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1227) for the relief of sundry former students of the Air Reserve Officers' Training Corps.

The message also announced that the House had passed a bill (H. R. 3706) for the relief of John K. Jackson, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to

the following enrolled bills, and they were signed by the Vice President:

H. R. 756. An act for the relief of Nicoletta and Gullia Pontrelli;

H. R. 1722. An act for the relief of Louise Leitzinger and her daughter; and

H. R. 1823. An act for the relief of Jose Encarnacion Ortiz.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HILL, and by unanimous consent, the Committee on the Judiciary was authorized to meet this afternoon during the session of the Senate.

On request of Mr. HILL, and by unanimous consent, the Committees on Armed Services and Foreign Relations were authorized to meet this afternoon during the session of the Senate.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. KERR, from the Committee on Finance:

H. R. 1613. A bill to amend section 2883 (d) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress; without amendment (Rept. No. 320);

H. R. 2746. A bill to amend section 2883 (b) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress; without amendment (Rept. No. 321);

H. J. Res. 253. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Japanese Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes; without amendment (Rept. No. 322).

H. R. 2192. A bill to amend section 313 (b) of the Tariff Act of 1930; with amendments (Rept. No. 323);

H. R. 2416. A bill relating to exclusion from gross income of income from discharge of indebtedness; with amendments (Rept. No. 324); and

H. J. Res. 73. Joint resolution amending chapter 26 of the Internal Revenue Code; with an amendment (Rept. No. 325).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

S. 1497. A bill for the relief of Dr. Jose Emilio Seabra d'Araujo; and

S. 1498. A bill for the relief of Mrs. Helen Doherty; to the Committee on the Judiciary.

By Mr. TAFT:

S. 1499. A bill for the relief of Georgette Sato; and

S. 1500. A bill for the relief of Stevan Pivnicki; to the Committee on the Judiciary.

By Mr. WELKER:

S. 1501. A bill for the relief of Nicanor Maypa Balat; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1502. A bill to grant hospitalization, domiciliary care, and burial benefits to veterans who served in the active military, naval, or air service on or after June 27, 1950; to the Committee on Labor and Public Welfare.

By Mr. BENNETT (for Mr. WATKINS):

S. 1503. A bill for the relief of Harold Frederick D. Wolfram; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 1504. A bill for the relief of Valmai Eileen Mackenzie; to the Committee on the Judiciary.

HOUSE BILL REFERRED

The bill (H. R. 3706) for the relief of John K. Jackson was read twice by its title and referred to the Committee on the Judiciary.

PROPOSAL FOR ARMISTICE BETWEEN THE CONFLICTING FORCES IN KOREA

Mr. JOHNSON of Colorado. Mr. President, before the Senator from Alabama suggests the absence of a quorum will he yield to me so I may make a unanimous-consent request to read into the RECORD a short resolution which I wish to submit and ask to have appropriately referred?

Mr. HILL. I yield for that purpose. Mr. JOHNSON of Colorado. I make that unanimous-consent request, Mr. President.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Colorado. I submit a resolution and ask that it be appropriately referred. The resolution reads as follows:

Whereas to permit civilization to be destroyed by world war III is utter insanity and unworthy of the men of this century; and

Whereas the Korean War has every appearance of being a hopeless conflict of attrition and indecisiveness and a breeder of bitter racial hatreds; and

Whereas a limited war like a limited or smoldering fire, is gravely dangerous, for it may burst forth into a world-wide conflagration at any moment; and

Whereas the North and South Koreans, the Chinese and the United Nations have suffered more than 1,000,000 casualties, with the only tangible result so far the indescribable misery which has been heaped upon the Korean people; and

Whereas tremendous strides have been made in the development of hitherto unused lethal and destructive weapons of war with potentials of unbelievable fury and horror; and

Whereas by slaughtering additional millions of humans an uneasy peace might in time be forced upon the vanquished; and

Whereas the people of the United States traditionally have held the people of China in the highest esteem and affection and still do; and

Whereas the people of the United States have long recognized the wisdom of the principles of the Monroe Doctrine so eloquently portrayed by the slogan "Asia for Asiatics" if it were to be applied to Asia; and

Whereas it has long been the policy of the American people that no nation should seek to extend its form of government over any other nation or people, but that as an inherent right every people should be left free to determine its own form of government and its own way of life, unhindered, unthreatened, unafraid—the little along with the great and the powerful; and

Whereas the traditional policy and desire of the people of the United States of America is now and has been a just and enduring peace; and

Whereas it is never too early for God-fearing and peace-loving peoples to earnestly endeavor to stop needless human slaughter: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United Nations call upon all nations and all groups now engaged in the war in Korea to cease fire and declare an armistice effective at 4 a. m. (Korean time) June 25, 1951; and that prior thereto the United Nations forces retire to points south and the opposing forces retire to points north of the thirty-eighth parallel; and that before December 31, 1951, all prisoners of the Korean War shall be exchanged and all non-Korean persons, military and nonmilitary (except the ordinary diplomatic representatives), shall depart from North and South Korea.

The VICE PRESIDENT. The resolution will be received and referred to the Committee on Foreign Relations.

The resolution (S. Res. 139) was referred to the Committee on Foreign Relations.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix as follows:

By Mr. HENDRICKSON:

An address on the subject 1951 Merchandising and Management Conference, delivered by Senator SPARKMAN, on May 14, 1951, at the University of Maryland.

By Mr. BYRD:

Address by Bernard M. Baruch on the occasion of George Catlett Marshall Day at Virginia Military Institute, Lexington, Va., May 15, 1951.

By Mr. AIKEN:

Editorial entitled "The St. Lawrence Project," published in the Utica (N. Y.) Press of March 17, 1951.

Editorial entitled "New Sources of Steel," published in the Washington Post of March 10, 1951.

By Mr. THYE:

An article entitled "Small Business Is Hit by Defense Rationing," written by Joseph A. Loftus, and published in the New York Times of May 13, 1951.

An editorial entitled "Beef Rollback Is Unfair to the Cattle Feeders," published in the Minneapolis Sunday Tribune of May 13, 1951, and a letter to the editor of the Tribune, entitled "Monkeys Could Manage Better," written by Fred C. Peters, of Janesville, Minn.

By Mr. BENNETT:

An editorial entitled "Where to, America?" discussing faith in God in the United States, and an editorial entitled "Pity the Poor Businessman," discussing price controls, both published in the Ephraim Enterprise, of Ephraim, Utah, on April 27, 1951.

An oration on the subject The Constitution, Worth Having, Worth Defending, by Miss Kay Jon Mildon, winner of the American Legion oratorical contest in Utah, together with a statement by Senator BENNETT.

By Mr. DWORSHAK:

An editorial entitled "Policy Based on Fear," appearing in a recent issue of the Idaho Statesman, of Boise, Idaho.

By Mr. LANGER:

A pamphlet on the subject More Meat and How To Get It, With a Common Sense Meat Program, sponsored by farm organizations, livestock associations, meat-industry groups, and allied businesses.

By Mr. KERR:

A press release by him relative to proposals by General MacArthur and Republican policy.

SUSPENSION OF CERTAIN FEDERAL LAWS WITH RESPECT TO ATTORNEY EMPLOYED BY SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HILL. Mr. President, under the order entered yesterday the Senate will proceed with the call of the calendar. I think before proceeding with the calendar there should be a quorum call.

Mr. WHERRY. Mr. President, will the Senator withhold his suggestion of the absence of a quorum for a moment?

Mr. HILL. Yes.

Mr. WHERRY. Does the Senator propose to take up any measure for debate after the call of the calendar today?

Mr. HILL. We are very anxious, as the Senator knows, to dispose, if possible, of Calendar No. 227, Senate bill 630, to suspend until December 31, 1952, the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Labor and Public Welfare. It is a bill in which the Senate Committee on Labor and Public Welfare is very much interested. I wonder if we might not proceed to the consideration of that bill today.

Mr. WHERRY. Mr. President, I hope the acting majority leader will not insist upon the consideration of that bill today. The distinguished Senator from Utah [Mr. WATKINS] is ill. He is vitally interested, not in the particular case covered by the bill, but in the principle

involved. He feels very strongly about it. Other members of the Committee on the Judiciary wish to discuss the matter. While some Senators are very anxious to have the bill passed, other Senators would like to be heard on it. I wonder if it would not be satisfactory to have some other measure taken up today, because of the absence of the Senator from Utah.

Mr. HILL. Mr. President, of course we want to do all we can to accommodate the Senator from Utah whose illness we very much regret. We find ourselves, however, in this position: The distinguished chairman of the Committee on Labor and Public Welfare, the Senator from Montana [Mr. MURRAY], will leave the last of next week to attend the meeting of the International Conference on Labor which will be held in Geneva, Switzerland. Naturally he is very anxious to have the bill acted upon by the Senate before he leaves. Whereas the distinguished Senator from Nebraska has his problem, we also have our problem in that the Senator from Montana wishes to have the matter disposed of before he leaves for Geneva. I suggest to the Senator from Nebraska that we proceed with the call of the roll at this time, and I will confer further with him about the matter.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gillette	McMahon
Anderson	Hayden	Monroney
Bennett	Hendrickson	Moody
Benton	Hennings	Morse
Brewster	Hickenlooper	Mundt
Bricker	Hill	Murray
Bridges	Hoey	Neely
Butler, Md.	Holland	O'Connor
Butler, Nebr.	Humphrey	O'Mahoney
Byrd	Hunt	Robertson
Cain	Ives	Russell
Capehart	Jenner	Saltonstall
Carlson	Johnson, Colo.	Schoeppel
Case	Johnson, Tex.	Smathers
Chavez	Johnston, S. C.	Smith, Maine
Clements	Kefauver	Smith, N. J.
Connally	Kerr	Smith, N. C.
Cordon	Kilgore	Stennis
Dirksen	Knowland	Taft
Douglas	Langer	Thye
Duff	Lodge	Underwood
Dworshak	Magnuson	Welker
Ellender	Malone	Wherry
Ferguson	Maybank	Wiley
Flanders	McCarthy	Williams
Fulbright	McClellan	Young
George	McKellar	

Mr. HILL. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Louisiana [Mr. LONG], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. LEHMAN] is absent by leave of the Senate on official business, having been appointed a member of the United States delegation to the World Health Organization, which is meeting in Geneva, Switzerland.

All that the world knew at the time was the sudden electrifying news of Inchon, with one daring stroke, MacArthur had turned the tables on the enemy and seized victory from the ashes of slow retreat.

Inchon symbolized subsequent events. General MacArthur stood for daring and victory. The Pentagon was fearful and abandoned victory. The result was stalemate.

Faced with this impasse, some men in the general's position would have felt justified in resigning the command.

It is historically interesting that MacArthur faced even stalemate as a challenge. If all this bloodshed was to be in vain, there must be yet another solution. He came up with the bold offer to meet the enemy commander in the field and arrange an armistice.

Once again Washington refused to support him. The State Department concocted the myth that he had spoiled a peace plan of its own. This story was never supported at United Nations headquarters nor anywhere else. Nazroллаh Entezam's peace committee was at the time awaiting offers from either side and getting none.

General MacArthur's offer to meet the enemy commander in the field was given as a reason for his subsequent dismissal.

Then followed the so-called Operation Killer as the Pentagon's alternative to either peace or victory. Operation Killer openly boasted of the thousands of Chinese that were slaughtered, and the thousands more that were still to be slaughtered.

This was a low ebb in the morals of a merciful Nation, and it did much harm to American prestige in Asia.

By this time, Washington was talking about "disaster that lay ahead." The anger of futility in Korea was fanning the flames of a still greater holocaust.

In Moscow's Kremlin, the Politburo saw the beckoning opportunity to seize the initiative. Russia would become the champion of peace in Korea by copying the pattern that General MacArthur had devised.

The formula was the same, but the propaganda value was different. In the first case it was MacArthur's initiative, saying in effect, "I will talk peace. Do you want war?" But now it is the Russian initiative, putting the same question in reverse.

The brave men who fought and died in Korea against a powerful enemy have turned in a record of military prowess. The diplomatic defeat is not their chagrin.

CALENDAR

The VICE PRESIDENT. Under the order previously entered, the next order of business is the call of the calendar. The Secretary will proceed with the call of the calendar.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 32) to amend title 28, United States Code, section 456, so as to increase to \$15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile, was announced as first in order.

Mr. McFARLAND. Mr. President, on behalf of the Senator from Illinois [Mr. DOUGLAS] I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 337) to amend the Public Health Service Act and the Vocational Educational Act of 1946 to provide an

emergency 5-year program of grants and scholarships for education in the fields of medicine, osteopathy, dentistry, dental hygiene, public health, and nursing professions, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 618) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that this bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 857) for the relief of Mrs. Rose A. Mongrain, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 36) to amend title 28, United States Code, section 456, so as to increase to \$15 per day the limit on subsistence expenses allowed to justices and judges while attending court or transacting business at places other than their official station, and to authorize reimbursement for such travel by privately owned automobiles at a rate of not exceeding 7 cents per mile was announced as next in order.

Mr. McFARLAND. Mr. President, on behalf of the Senator from Illinois [Mr. DOUGLAS], I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 719) to establish beyond doubt that under the Robinson-Patman Act, it is a complete defense to a charge of price discrimination for the seller to show that its price differential has been made in good faith to meet the equally low price of a competitor was announced as next in order.

The VICE PRESIDENT. This bill has been made a special order for the 2d day of August. It will be passed over.

The bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes was announced as next in order.

Mr. McFARLAND. Mr. President—
Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 2929) to authorize the Postmaster General to prohibit or regulate the use of Government property under his custody and control for the parking or storage of vehicles was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over. The companion bill, Senate bill 618, Calendar 132, has already been passed over.

The resolution (S. Res. 133) discharging the Committee on the District of Columbia from the further considera-

tion of S. 656, the home-rule bill for the District, was announced as next in order.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the resolution be passed over.

The VICE PRESIDENT. The resolution will be passed over.

APPOINTMENT OF DEPUTY MARSHALS

The bill (S. 35) to provide for the appointment of deputy United States marshals without regard to the provisions of the civil-service laws and regulations was announced as next in order.

Mr. McFARLAND. Mr. President, on behalf of the Senator from Florida [Mr. HOLLAND], I ask that the bill be passed over.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection until I make a statement with reference to the bill?

Mr. McFARLAND. I am glad to do so. I was not objecting on behalf of myself.

The VICE PRESIDENT. The Senator from Nevada is recognized for 5 minutes.

Mr. McCARRAN. Mr. President, as this bill was reported from the Judiciary Committee, and as it has been reported adversely from the Committee on Post Office and Civil Service, it would allow a United States marshal to appoint or remove deputies with the approval of the Attorney General, without regard to the provisions of the civil service laws and regulations.

In this form, the bill is the same as S. 3993 of the Eighty-first Congress, which unanimously passed the Senate on August 23, 1950.

Deputy marshals have been in and out of civil service on different occasions. Without attempting to recount all changes, it may be noted that in 1908 deputy marshals were excepted, at least with regard to appointment, by the civil service rules. Later, however, they appear to have been brought within the scope of the law, as a result of administrative changes in the rules; and by 1910 deputy marshals were being appointed on the basis of competitive examination.

In 1913, Congress enacted a statute providing that deputy marshals required to give bond may be appointed without regard to the civil service laws; and thereafter, for a number of years, a deputy marshal was clearly subject to appointment and removal by the marshal solely at his discretion. As late as 1939 the Civil Service Commission regarded deputy marshals who might be required by law or by direction of the marshal to execute a bond as excepted by the statute from the provisions of the civil service laws. In 1940, the President was given broad authority to cover positions in the executive departments and agencies into the classified civil service. That statute in terms exempted the positions of assistant United States district attorney, but did not exempt United States deputy marshals. Subsequently, an executive order issued in April of 1941 provided among other things that all offices and positions in the executive civil service of the United States except those

that were temporary and those that were specifically excepted from the provisions of section 1 of the 1940 act, and those excepted from the classified civil service under civil service rules, and those which then had a classified status, were thereby to be covered into the classified civil service of the Government. It will be noted that this executive order did not mention deputy marshals. However, deputy marshals were apparently regarded as within the classified civil service as a result of this order. The reasoning was that the act of 1940 gave the President the power to cover deputy marshals into the civil service, and to that extent operated to repeal the earlier 1913 statute.

When the judicial code was revised and reenacted in 1948, section 542 of title 28 was framed to read as follows:

The Attorney General may authorize any United States marshal to appoint deputies and clerical assistants. Deputy marshals shall be subject to removal by the marshal pursuant to civil service regulations.

The reviser's note to this provision points out that references to removal of deputy marshals by the Attorney General or the district courts had been omitted from the revised section as obsolete.

It is clear, therefore, that the inclusion of deputy marshals under the civil service was a matter of development, rather than a matter of specific and formal decision, either by the President or by the Congress; and Congress has never affirmatively directed that deputy marshals be under the civil service.

As a matter of fact, since Congress has specifically provided that assistant United States attorneys should not be under civil service, and since in many respects the position held by a deputy marshal, with respect to his marshal, is similar to the position held by an assistant United States attorney, with respect to the United States attorney, under whom he serves, the two officers should be treated alike.

The United States attorney is solely responsible for the conduct of his office, and therefore should be able to choose, without regard to civil service regulations, such assistants as he may deem fit and proper for the position. Similarly, the United States marshal is solely responsible for the conduct of his office, and should have similar rights with regard to selection of persons for whose conduct he must answer.

It was on this basis that the bill was approved by the Judiciary Committee.

Subsequently, at the request of the chairman of the Committee on Post Office and Civil Service, the bill was referred to that committee, under a unanimous consent agreement providing that it should be reported back to the Senate within a specified period of time. After the expiration of that period of time, the bill was reported back to the Senate from the Post Office and Civil Service Committee with an adverse report, which is Senate Report No. 313.

While the bill was under consideration by the Committee on Post Office and Civil Service, the chairman of the Judiciary Committee addressed a letter to the chairman of the Post Office and Civil

Service Committee, suggesting a possible compromise. It was the understanding of the chairman of the Judiciary Committee that this suggestion met with favor by his colleague, but that it was not acted upon by the Committee on Post Office and Civil Service.

This proposed compromise has been embodied in an amendment, which it will be my purpose to offer to the bill S. 35. The amendment would allow a United States marshal to appoint a deputy of his own choice provided the appointee is able to pass a suitable, non-competitive examination as prescribed by the Civil Service Commission. This would not take the deputy marshals out from under civil service, but at the same time it would not limit a marshal to employment of only those persons certified to him by the regional director of the Civil Service Commission.

This amendment would provide further that after the enactment of this act, a marshal might have 60 days within which to remove deputies, subject to the approval of the Attorney General; and a newly appointed marshal would have 60 days after his appointment within which to remove any deputies holding over from appointment by his predecessor.

After this initial 60-day period, in either case, a deputy marshal would be subject to removal only pursuant to civil service laws.

The amendment also contains a provision that when a deputy marshal has been appointed as marshal, and has served his term, he may upon application be restored to the position of deputy marshal.

The VICE PRESIDENT. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 50) to provide for the admission of Alaska into the Union was announced as next in order.

Mr. ELLENDER. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 49) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States was announced as next in order.

Mr. ELLENDER. Over.

The VICE PRESIDENT. Objection is heard. The bill will be passed over.

SUBSTITUTION FOR DRAW-BACK PURPOSES—AMENDMENT OF SECTION 313 (B) OF TARIFF ACT OF 1930

The bill (H. R. 2192) to amend section 313 (b) of the Tariff Act of 1930 was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

Mr. MILLIKIN. May I ask the Senator from New Jersey to withhold his objection for a moment?

Mr. HENDRICKSON. I gladly withhold my objection.

Mr. MILLIKIN. Is the Senator making an unalterable objection at this time?

Mr. HENDRICKSON. I am objecting on behalf of the senior Senator from Michigan [Mr. FERGUSON], who, I under-

stand, has an amendment which he desires to have considered.

Mr. MILLIKIN. I had intended to propose the amendment on behalf of the Senator from Michigan, if I were permitted to do so. If the Senator from New Jersey will withdraw his objection, I shall be glad to offer the amendment.

Mr. HENDRICKSON. I withhold my objection.

The VICE PRESIDENT. Does the Senator from New Jersey withhold his objection, or does he withdraw it?

Mr. HENDRICKSON. I withdraw it.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments, on page 1, line 5, after the word "For", to strike out "Draw-Back" and insert "Drawback"; in line 6, after the word "duty-paid", to strike out "sugar;" and insert "sugar, or"; in line 7, after the word "nonferrous", where it occurs the first time, to strike out "metal;" and insert "metal, or"; in the same line, after the word "nonferrous", where it occurs the second time, to strike out "metal; flaxseed and linseed, and flaxseed and" and insert "metal, or flaxseed or linseed, or flaxseed or"; on page 2, line 6, after the words "amount of", to strike out "draw-back" and insert "drawback"; at the beginning of line 8, to strike out "sugar;" and insert "sugar, or"; in the same line, after the word "nonferrous", to strike out "metal;" and insert "metal, or"; in line 9, after the word "nonferrous", to strike out "metal; flaxseed and linseed, and flaxseed and" and insert "metal, or flaxseed or linseed or flaxseed or"; in line 11, after the word "of", to strike out "draw-back" and insert "drawback"; and line 13, after the word "of", to strike out "draw-back" and insert "drawback"; and in line 14, after the word "imported", to strike out "merchandise," and insert "merchandise".

The amendments were agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. MILLIKIN. Mr. President, on behalf of the senior Senator from Michigan [Mr. FERGUSON], who is unavoidably absent today, I offer an amendment to the pending bill.

I move that the word "nonferrous" be stricken out in lines 6 and 7 of page 1 and in lines 8 and 9 of page 2.

The purpose of the amendment is to extend to ferrous metal, and ore containing ferrous metal, the privilege of substitution for drawback purposes. This privilege has been extended for more than 20 years to nonferrous metals, and ore containing nonferrous metals, as well as to sugar. House bill 2192 would extend it further to flaxseed, linseed, flaxseed oil, and linseed oil.

I merely wish to add that I believe the amendment has prima facie merit. It is my suggestion that the Senate adopt the amendment and send it to conference. I am advised by the chairman of the Committee on Finance that it is agreeable to him that such course be followed.

Mr. HENDRICKSON. Mr. President, will the Senator from Colorado yield?

Mr. MILLIKIN. Yes.

Mr. HENDRICKSON. Is my understanding correct that this is the amendment which the Senator from Michigan contemplated offering?

Mr. MILLIKIN. Yes.

Mr. HENDRICKSON. I thank the Senator.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. MILLIKIN] on behalf of the Senator from Michigan [Mr. FERGUSON].

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL RECOMMITTED TO COMMITTEE

The bill (S. 621) to amend section 604 (b) of the Classification Act of 1949 was announced as next in order.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the bill be recommitted to the Committee on Post Office and Civil Service, so that the administrative differences may be worked out.

The VICE PRESIDENT. Without objection, the bill is recommitted to the Committee on Post Office and Civil Service.

NATURALIZATION OF CERTAIN FORMER CITIZENS

The bill (H. R. 400) to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite held in Italy was announced as next in order.

Mr. McFARLAND. Mr. President, in behalf of the senior Senator from New Mexico [Mr. CHAVEZ], I ask that the bill go over.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection?

Mr. McFARLAND. I withhold my objection.

Mr. McCARRAN. It is unfortunate that objection should be made whenever this bill is called on the calendar. It would enable persons who lost their United States citizenship by reason of voting in political elections held in Italy on June 2, 1946, or on April 18, 1948, to regain their United States citizenship.

Immediately following the cessation of hostilities in World War II a great many United States citizens, both native-born and naturalized, of Italian ancestry, returned to Italy on visits and business. A number of United States citizens had been in Italy throughout the war years. With the first free elections in Italy in almost 25 years an intensive campaign to get out the vote was started. The Italian Government imposed legal pressures, and moral pressure was imposed by friends and neighbors, to make it clear that nonvoters would be classified as civic slackers. Communist Party supporters used threats and coercion to force Italians to vote in the hope of gaining votes for Communist Party candidates. One of the strongest pressures emanated from the United States columnists and radio commentators, who

set in motion a letter-writing campaign by Americans who had relatives in Italy. It is estimated that a million letters were sent from this country to friends and relatives in Italy, urging them to vote.

In the great majority of cases those American citizens who voted were unaware of the fact that such voting would result in the loss of their United States citizenship. The best estimate is that between three and four thousand individuals have lost their United States citizenship by voting in the Italian elections.

The committee has added a proviso to the bill which requires that individuals benefited by this bill take an oath that they have done nothing to promote the cause of communism.

Mr. President, the able Senator from New Mexico [Mr. CHAVEZ], who has made objection to the bill all along, cannot be placed in the category of those who are objecting to it generally. The bill is being objected to by every Communist in America today, because the Communists want to punish those who went to Italy or were in Italy, and who voted to keep the Communist Party down in Italy. Hence they propose to keep those people from ever again regaining United States citizenship. It is unfortunate that any Senator or any Member of Congress should lend himself to that movement, which is broadcast in the country today.

Mr. McFARLAND. Mr. President, at the request of the Senator from New Mexico [Mr. CHAVEZ] I ask that the bill go over.

The VICE PRESIDENT. Objection is heard, and the bill will be passed over.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 3) proposing an amendment to the Constitution of the United States relative to equal rights for men and women was announced as next in order.

Mr. RUSSELL. Over.

The VICE PRESIDENT. Objection is heard, and the joint resolution will be passed over.

BILLS PASSED OVER

The bill (H. R. 1590) for the reimbursement of the S. A. Healy Co. was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that the bill go over, by request.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 2119) to amend sections 544 and 546 of title 28, United States Code, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The VICE PRESIDENT. The Senator from South Carolina objects, and the bill will be passed over.

AMENDMENT OF UNITED STATES CODE RELATING TO CONGRESSIONAL INVESTIGATIONS

The Senate proceeded to consider the bill (S. 1390) to amend sections 1505 and 3486 of title 18 of the United States Code relating to congressional investigations, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 7, after the word

"Whoever", to strike out "as" and insert "being"; on page 2, line 2, after the word "attended", to insert "by request of either House or committee thereof"; in line 18, after the word "considered", to strike out "prima facie evidence" and insert "a rebuttable presumption", and on page 3, line 6, after the word "witness", to insert "by request of either House or committee thereof", so as to make the bill read:

Be it enacted, etc., That section 1505 of title 18 of the United States Code is amended by inserting "(a)" before "Whoever" at the beginning thereof and by adding at the end thereof the following new subsection:

"(b) Whoever being an officer of the United States or of any department or agency thereof causes or attempts to cause a witness, who is a member of the Armed Forces of the United States or an officer or employee of the United States or of any department or agency thereof, to be demoted, dismissed, retired, or otherwise disciplined on account of his attending or having attended, by request of either House or committee thereof, any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress, or on account of his testifying or having testified to any matter pending therein, or on account of his testimony on any matter pending therein, unless such testimony discloses misfeasance, malfeasance, dereliction of duty, or past reprehensible conduct on the part of such witness, shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both.

"The demotion, dismissal, or retirement (other than voluntary or for physical disability) of such witness within 1 year after so attending or testifying in such inquiry or investigation, unless such testimony discloses misfeasance, malfeasance, dereliction of duty, or past reprehensible conduct on the part of such witness, shall be considered a rebuttable presumption that such witness was demoted, dismissed, or retired because of such attendance or such testimony."

SEC. 2. Section 3486 of title 18 of the United States Code is amended by inserting "(a)" before "No" at the beginning thereof and by adding at the end thereof the following new subsection:

"(b) No witness, who is a member of the Armed Forces of the United States or an officer or employee of the United States or of any department or agency thereof, shall be demoted, dismissed, retired, or otherwise disciplined on account of testimony given or official papers or records produced by such witness, by request of either House or committee thereof, before either House, or before any committee of either House, or before any joint committee established by a joint or concurrent resolution of the two Houses of Congress, unless such testimony is given or such official papers or records are produced in violation of law, or unless such testimony or the production of such papers or records disclose misfeasance, malfeasance, dereliction of duty, or reprehensible conduct on the part of such witness."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTABLISHMENT OF DEPARTMENT OF FOOD SERVICES IN THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS

The bill (S. 1349) to establish a Department of Food Services in the public schools of the District of Columbia, and for other purposes, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object—although I shall not object—I should like to have an explanation of the bill, for the purpose of the RECORD. I think it is a very important bill.

Mr. JOHNSTON of South Carolina. Mr. President, this bill would centralize the handling of cafeterias and school-lunch problems in the District of Columbia. The present school cafeterias in Washington are operated by the principals of each school as private nonprofit enterprises. The bill would establish a central office for food services, with power to engage in wholesale purchasing, to establish uniform dietary and other standards, and to administer school-lunch and surplus-food-disposal programs in cooperation with officials of the Federal Government. The bill authorizes the establishment of a revolving fund of \$25,000, and it is contemplated that the program will continue to be non-profit-making and self-sustaining.

The bill has been requested and approved by the Board of Commissioners and the Board of Education. It was unanimously reported by the full Committee on the District of Columbia.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. How much is proposed to be appropriated to carry out this testing of breath and blood and urine?

Mr. JOHNSTON of South Carolina. The Senator from North Dakota is referring to another bill.

Mr. LANGER. How much does this bill appropriate per year?

Mr. JOHNSTON of South Carolina. It authorizes \$25,000 as a revolving fund, which we hope will be sufficient for all time in the future.

Mr. LANGER. In the District of Columbia only?

Mr. JOHNSTON of South Carolina. This bill relates only to the District of Columbia.

Mr. LANGER. I object.

The VICE PRESIDENT. The Senator from North Dakota objects, and the bill will be passed over.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with the bill, certain correspondence which is further explanatory thereof.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

GOVERNMENT OF THE
DISTRICT OF COLUMBIA,
OFFICE OF THE CORPORATION COUNSEL,
Washington, D. C., July 6, 1951.
The Honorable ANDREW F. SCHOEPPF,
United States Senate,
Washington, D. C.

MY DEAR SENATOR SCHOEPPF: It is observed that when the calendar was called in the Senate on June 21 you objected to consideration of the bill S. 1349, entitled "A bill to establish a Department of Food Services in the public schools of the District of Columbia, and for other purposes." It is understood the objection was made for the pur-

pose of permitting further study of the legislation by the minority committee on the calendar, of which you are a member.

In order that you may be advised of the objectives of this legislation I am enclosing five copies of a letter dated June 28, 1951, addressed to me by the Superintendent of Schools for the District of Columbia which gives a general statement of the present food service situation in the public schools, the benefits to be derived from establishment of a food service department, and the method of financing the operation of such a department.

I shall be very happy to furnish any further information which you or the committee desires in respect to this matter.

Very sincerely yours,
VERNON E. WEST,
Corporation Counsel, District of
Columbia.

SUPERINTENDENT OF SCHOOLS,
Washington, D. C., June 28, 1951.

Mr. VERNON E. WEST,
Corporation Counsel, District of
Columbia, District Building,
Washington, D. C.

DEAR Mr. WEST: In response to Mr. Bryan's request I am submitting this letter answering the three points which he brought up, namely, the present food service situation, the benefits to be derived from a food service department, and the method of financing the food service department.

PRESENT FOOD SERVICE SITUATION

The cafeterias of the school system are now operated as individual units in each school. This requires each principal to operate an individual business with the resultant problems in buying, in employment, and in accounting. In each case it is necessary that the principal not only operate a business but that he have sufficient profits to replace and repair the equipment in his cafeteria. This, of course, has made it necessary to keep the price of food high in some cases. Food purchases for cafeterias, while being bought from wholesale houses, have not been bought in sufficiently large quantities by each school to permit much reduction in cost. The Superintendent directed a study of the entire cafeteria organization and considered the following problems:

1. Authority and responsibility of the Board of Education for operating school cafeterias.
2. Centralized management.
3. Centralized purchasing.
4. Standardization for prices and servings at the lowest possible cost level.
5. Uniform accounting and auditing practices.
6. Installation, maintenance, replacement, and extension of equipment.
7. Complete insurance coverage.
8. Status and protection of cafeteria employees.
9. Uniform employment practices (including standardization of wages and hours and classification of jobs), qualifications, and duties.
10. Method of financing.

Over and above these specific problems is the responsibility of the schools for providing proper food service to the pupils with proper attention to dietetics, nutrition, and other related health habits. Because of the fact that feeding is such an integral part of the whole educational program, the means by which it is accomplished should be the best possible.

The superintendent is convinced, as a result of his investigation and continued study of this question, that the school cafeterias should be operated by the board of education through the establishment of a cafeteria department responsible to the superintendent of schools. This conviction of the

superintendent is shared by the members of his staff and by the officers in the field in whose buildings cafeterias are being operated.

BENEFITS TO BE DERIVED FROM A FOOD-SERVICE DEPARTMENT

The superintendent and his associates are further convinced that the following improvements in the cafeteria situation would result with the board of education in full control of cafeteria operation:

1. All cafeterias would be operated by the board as an integral part of the school system.
2. The cafeteria department would be staffed by a competent director and assistants responsible to the Superintendent of Schools.
3. The principals would be relieved of the pressing responsibilities of cafeteria business management.
4. The principals would continue to be responsible for the educational aspects of the cafeteria as an important school laboratory.
5. All personnel management, including employment and assignment, would be the responsibility of the cafeteria director through such channels as would be designated by the Superintendent.
6. All cafeteria workers would be employees of the Board of Education and as such would be paid according to rates to be determined by the Board with rights of leave, retirement, and security enjoyed by other employees of the Board.
7. All purchasing would be centralized.
8. All accounting procedures would be standardized and uniform.
9. All funds and accounts would be audited and periodic reports submitted to the Board of Education.
10. The services to all children in all schools would be uniform and of a high standard.
11. Prices to all children would be uniform and would be computed on a nonprofit basis.
12. Considerable freedom of choice in menus would be exercised by the local school cafeteria manager within the framework of recognized standards in dietetics.

METHOD OF FINANCING THE FOOD SERVICE DEPARTMENT

The bill, S. 1349, carries a provision for establishing a "District of Columbia public schools food services fund" and authorizes the appropriation of \$25,000 out of District of Columbia revenue to be credited to this fund. This is necessary in order to give an operating base in the initiation of this program. To this will be added all the revenues and receipts derived from the operation of the cafeterias in the various schools. All costs related to the operation of the food services in the schools will be taken from this fund. This will include the purchase of food, supplies, personal services, including the expenses of conducting the office of central management. The food service department will in this way be self-sustaining. The only exception to this is that the acquisition, maintenance, and replacement of equipment will be from appropriated funds as are all other such items in the public school plants.

I am also enclosing other reports submitted to the Board of Education at various times which cover all of these points.

Very sincerely yours,
HOBART M. CORNING,
Superintendent of Schools.



United States
of America

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 82^d CONGRESS, FIRST SESSION

Vol. 97

WASHINGTON, THURSDAY, JULY 26, 1951

No. 137

House of Representatives

The House met at 12 o'clock noon.

The Reverend William Eckman, S. T. M., associate rector of Christ Church in Philadelphia, offered the following prayer:

Almighty God, who hast given us this good land for our heritage, we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry, sound learning, and pure manners. Save us from violence, discord, and confusion; from pride and arrogancy, and from every evil way. Defend our liberties, and fashion into one united people the multitudes brought hither out of many kindreds and tongues. Endue with the spirit of wisdom those to whom in Thy name we entrust the authority of government, that there may be justice and peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations of the earth. In the time of prosperity, fill our hearts with thankfulness, and in the day of trouble, suffer not our trust in Thee to fail; all which we ask through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on July 23, 1951, the President approved and signed a bill of the House of the following title:

H. R. 3804. An act to limit the retroactive application of the income tax to employees of the United States working in the possessions or in the Canal Zone.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read:

JULY 26, 1951.

The honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law, showing the election of Mrs. ELIZABETH KEE as a Representative-elect to the

Eighty-second Congress from the Fifth Congressional District of the State of West Virginia, to fill the vacancy caused by the death of the Honorable John Kee, is on file in this office.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

SWEARING IN OF MEMBER

Mrs. KEE appeared at the bar of the House and took the oath of office.

AMENDING TARIFF ACT OF 1930

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2192) to amend section 313 (b) of the Tariff Act of 1930, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "DRAW-BACK" and insert "DRAWBACK."

Page 1, line 6, strike out "sugar;" and insert "sugar, or."

Page 1, line 6, strike out "nonferrous metal;" and insert "metal, or."

Page 1, line 7, strike out "nonferrous metal; flaxseed and linseed, and flaxseed and" and insert "metal, or flaxseed or linseed, or flaxseed or."

Page 2, line 3, strike out "draw-back" and insert "drawback."

Page 2, line 4, strike out "sugar;" and insert "sugar, or."

Page 2, lines 4 and 5, strike out "nonferrous metal;" and insert "metal, or."

Page 2, lines 5 and 6, strike out "nonferrous metal; flaxseed and linseed, and flaxseed and" and insert "metal, or flaxseed or linseed, or flaxseed or."

Page 2, line 7, strike out "draw-back" and insert "drawback."

Page 2, line 9, strike out "draw-back" and insert "drawback."

Page 2, line 10, strike out "merchandise," and insert "merchandise."

Mr. JENKINS. Reserving the right to object, Mr. Speaker, the minority approve these amendments. We have no objection to them.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REDUCTIONS IN FEDERAL EMPLOYMENT

(Mr. WHITTEN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WHITTEN. Mr. Speaker, I am in thorough agreement with the objectives of the Jensen rider which has been attached to the several appropriation bills. I believe most Members of the House are firm believers in the objectives.

The gentleman from Iowa [Mr. JENSEN] deserves credit for having insisted upon these reductions in Federal employment. However, it is my opinion that mechanically the amendment would be more workable if the various conferees would give attention to certain changes in the amendment.

The amendment provides that up to 25 percent of the vacancies occurring in the various departments shall not be filled, with certain exceptions. In this time of emergency notwithstanding the fact that most Federal employees do a good job, we must curtail domestic expenditures, including the total number of Federal employees. When we do that in any given agency and make the reductions in employees it makes it even more necessary that some discretion be given to the operating head of the agency to use the remaining employees to the best advantage. Under the Jensen amendment, as I see it, practically all the vacancies might occur in one branch or in one agency and none in another. The vacancies might occur where the workload was the heaviest and no vacancies might occur where the load was the lightest. Also the operating head of the agency might well fill all the high-priced vacancies and let those unfilled be at the low levels, though the latest approach was to give some degree of protection to the lowest level.

My suggestion would be to retain the objectives of the Jensen rider, with due credit to the gentleman from Iowa, but modify it by providing that each agency should reduce its personnel by a given number or given percentage each quarter of the year, such required reduction being for the quarter and fixing it so

that the goal or total reduction as provided for the quarter be completed by the end of such quarter. Such provision should provide that insofar as practical such reduction should be made by not filling vacancies. Either in the provisions of the act or in the committee report it should be provided that in making the reductions the agency should not substantially raise the average grade classification or average salary.

Such approach would bring about the needed reductions. It would give to the operating head of the agency leeway and discretion within his agency so as to meet the workload problems and require the reductions in those points where the workload was least. And further this would see to it that the reduction made was on such basis as not to leave vacancies at the lower level by keeping the higher-priced positions filled.

I think this approach is workable. Certainly I feel that my efforts in the Congress would indicate that I am sincere in my suggestions. I was the author of the Whitten rider last year which limits the total number of employees to that of September 1, 1950, and which further prevents the upgrading of permanent employees which was done in the last war at a cost of about a billion dollars a year in Government operating expenses. The rider which I wrote last year is estimated to save about one-half billion dollars a year and will be up for consideration for continuance in the next few weeks.

Mr. Speaker, I hope my suggestion here may have the consideration of those handling the various conferences on appropriations.

CORRECTIONS OF RECORD

Mr. ROONEY. Mr. Speaker, in the extension of my remarks made on Tuesday last while in the Committee of the Whole I have unintentionally included certain language concerning the gentleman from California [Mr. HINSHAW] which he feels may impugn his integrity as a Member of this House. I, therefore, ask unanimous consent that the first two sentences appearing at the top of the third column of page 8988 be expunged from the permanent RECORD, and that the beginning of the third sentence be altered to read:

When the gentleman from California [Mr. HINSHAW] states,

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I appreciate very much indeed the consideration of the gentleman from New York [Mr. ROONEY], and in order to clear the RECORD, I ask unanimous consent that the sentence which I added at the conclusion of my remarks just preceding and which no doubt incited the action taken by him be expunged from the permanent RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DEANE. Mr. Speaker, in the RECORD of July 20 at page 8787 it ap-

pears that the Chairman recognized me as "the gentleman from Georgia." I ask unanimous consent that the permanent RECORD be corrected to read "the gentleman from North Carolina."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

TERMINATING THE STATE OF WAR BETWEEN THE UNITED STATES AND THE GOVERNMENT OF GERMANY

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 356, Rept. No. 758), which was referred to the House calendar and ordered to be printed.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 289) to terminate the state of war between the United States and the Government of Germany. That after general debate which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

CORRECTION OF ROLL CALL

Mr. DEMPSEY. Mr. Speaker, on quorum call No. 132 yesterday, I was present and answered to my name. I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

REPORT ON THE WORK OF THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 196)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs, and ordered to be printed with illustrations:

To the Congress of the United States:

I transmit herewith, pursuant to the United Nations Participation Act, a report on our participation in the work of the United Nations during 1950.

It is a record of decision and action in the face of danger and, at the same time, a record of increasing efforts to promote human progress in the attainment of the basic objectives of the United Nations Charter. It is for the most part a record of solidarity among United Nations members against aggression.

The struggle of the United Nations against Communist aggression in 1950 has a deep significance that reaches beyond the momentary successes and re-

verses recorded. This significance lies in the simple fact that the United Nations acted promptly and resolutely, and with success, against deliberate, treacherous, and well-prepared aggression. The aggressors and their supporters undoubtedly believed that the organization and its members would not come to the defense of Korea with timely and effective help. It is probable that one of the purposes of the attack was to break down—through such a failure—any possibility of effective United Nations action against aggression in the future.

As the world knows, the United Nations met the assault squarely and without hesitation. In so doing, it made clear that an aggressor will not be allowed to isolate and destroy his victims one by one. The United Nations elected to act now rather than to drift passively once more down the fatal trail of failure to oppose aggression which leads finally to total war. Thousands of men have therefore sacrificed their lives in Korea to the end that millions may not lose their lives in a world war.

There is much to indicate that the resolute resistance of United Nations troops has given pause to those aggressive forces which coldbloodedly brought tragedy to Korea.

In these great events the United States has taken a worthy and responsible part. American troops fighting in Korea are a major bulwark of the international community against the barbarous forces that would debase and destroy it. American fighting men have rarely in all our history struck more important blows for human freedom and welfare. I am proud—and I know the American people are proud—of the fight which our men, together with their comrades in arms, have waged in Korea.

The army and people of the Republic of Korea have heroically and patiently endured the brunt of the Communist aggression. The story of their unwavering resistance to that aggression is an epic in the annals of the struggle of free men to maintain their liberty and independence.

I should like to pay special tribute to the gallant fighting men of the other countries who defended the cause of the United Nations in battle during 1950—men from Australia, Belgium, Canada, France, Greece, Luxembourg, the Netherlands, New Zealand, the Philippines, Thailand, Turkey, the Union of South Africa, and the United Kingdom.

Fighting units for Ethiopia arrived in Korea in early May 1951, and units from Colombia arrived in early June 1951. Hospital units and ships from Denmark, India, Norway, and Sweden also are operating in the Korean area.

United Nations action in Korea has been truly collective action. Concrete aid in the form of combat troops, ships and planes, field hospitals and medical equipment, other equipment, supplies, and food has been made available by 39 members of the United Nations; political support, by no less than 53 members. These countries vary greatly in their abilities to contribute to a collective military operation such as that in

Public Law 109 - 82d Congress
Chapter 297 - 1st Session
H. R. 2192

AN ACT

To amend section 313 (b) of the Tariff Act of 1930.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 313 (b) of the Tariff Act of 1930 be amended to read as follows:

“(b) **SUBSTITUTION FOR DRAWBACK PURPOSES.**—If imported duty-paid sugar, or metal, or ore containing metal, or flaxseed or linseed, or flaxseed or linseed oil, and duty-free or domestic merchandise of the same kind and quality are used in the manufacture or production of articles within a period not to exceed one year from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation of any such articles, notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported articles, an amount of drawback equal to that which would have been allowable had the sugar, or metal, or ore containing metal, or flaxseed or linseed, or flaxseed or linseed oil, used therein been imported; but the total amount of drawback allowed upon the exportation of such articles, together with the total amount of drawback allowed in respect of such imported merchandise under any other provision of law, shall not exceed 99 per centum of the duty paid on such imported merchandise.”

Approved August 8, 1951.



